



State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

Purchase Order

PURCHASE ORDER NO.

FLT13997

PAGE

1

BLANKET RELEASE

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CHANGE ORDER

CORRECT PURCHASE ORDER NUMBER
MUST APPEAR ON ALL PACKAGES,
INVOICES, AND SHIPPING PAPERS.
QUESTIONS CONCERNING THIS PUR-
CHASE ORDER SHOULD BE DIRECTED
TO THE BUYER AS NOTED BELOW.

INVOICE TO

DEPARTMENT OF ADMINISTRATION
FLEET MANAGEMENT OFFICE
2101 WASHINGTON STREET, EAST
BUILDING 17
CHARLESTON, WV

25305

AGENCY COPY

VENDOR

*C15150224 01 513-241-2573
AUTOMOTIVE RESOURCES INTERNATL
4001 LEADENHALL RD
MOUNT LAUREL NJ 08054

SHIP TO

DEPARTMENT OF ADMINISTRATION
FLEET MANAGEMENT OFFICE
2101 WASHINGTON STREET, EAST
BUILDING 17
CHARLESTON, WV

25305

304-558-0086

DATE PRINTED		TERMS OF SALE		FEIN/SSN		FUND	
07/16/2013		NET 30		210622527			
SHIP VIA		F.O.B.		FREIGHT TERMS		ACCOUNT NUMBER	
BEST WAY		DESTINATION		PREPAID		MUL-MUL	
LINE	QUANTITY	UOP	VENDOR ITEM NO.		UNIT PRICE	AMOUNT	
	DELIVERY DATE	CAT.NO.	ITEM NUMBER				
OPEN END CONTRACT							
THE VENDOR, AUTOMOTIVE RESOURCES INTERNATIONAL, AGREES TO ENTER WITH THE AGENCY, THE WEST VIRGINIA FLEET MANAGEMENT OFFICE, INTO THIS OPEN END CONTRACT TO PROVIDE COMPREHENSIVE VEHICLE MANAGEMENT SERVICES FOR THE DEPARTMENT OF ADMINISTRATION'S FLEET PER THE SPECIFICATIONS, TERMS AND CONDITIONS, BID REQUIREMENTS, ADDENDUM NO. 1 05/09/2013, AND THE VENDOR'S BID DATED 05/14/2013 INCORPORATED HEREIN AND MADE A PART HEREOF.							
\$3.50 PER VEHICLE PER MONTH WITH 5% INDEPENDENT VENDOR (IV) FEE/ ROADSIDE ASSISTANCE IS \$35 PER OCCURRENCE/ 2% REBATE FOR UP TO 75% NA REBATE, 3% FOR 76%-85% USAGE, AND 4% REBATE OVER 85% USAGE. NO OPTIONAL SERVICES OR SERVICES NOT REQUESTED AS A PART OF THE SOLICITATION ARE INCLUDED IN THIS CONTRACT.							
PURCHASING DIVISION CERTIFIED ENCUMBERED							
JUL 22 2013							
Beverly Toler							
IF APPROVAL AS TO FORM IS REQUIRED BY ATTORNEY GENERAL, CHECK HERE <input type="checkbox"/>							
OPEN END							
TOTAL							

KRISTA FERRELL

304-558-2596

BY

PURCHASING DIVISION AUTHORIZED SIGNATURE

APPROVED AS TO FORM BY
ASSISTANT ATTORNEY GENERAL

GENERAL TERMS AND CONDITIONS:

1. **CONTRACTUAL AGREEMENT:** Issuance of a Purchase Order signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.

2. **DEFINITIONS:** As used in this Solicitation / Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation / Contract.
 - 2.1 **"Agency" or "Agencies"** means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.

 - 2.2 **"Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods and services requested in the Solicitation.

 - 2.3 **"Director"** means the Director of the West Virginia Department of Administration, Purchasing Division.

 - 2.4 **"Purchasing Division"** means the West Virginia Department of Administration, Purchasing Division.

 - 2.5 **"Purchase Order"** means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the successful bidder and Contract holder.

 - 2.6 **"Solicitation"** means the official solicitation published by the Purchasing Division and identified by number on the first page thereof.

 - 2.7 **"State"** means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.

 - 2.8 **"Vendor" or "Vendors"** means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

3. **CONTRACT TERM; RENEWAL; EXTENSION:** The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

☒ **Term Contract**

Initial Contract Term: This Contract becomes effective on July 16, 2013

and extends for a period of one, (1), year(s).

Renewal Term: This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal must be submitted to the Purchasing Division Director thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Renewal of this Contract is limited to two, (2), successive one (1) year periods. Automatic renewal of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases. Attorney General approval may be required for vendor terms and conditions.

Reasonable Time Extension: At the sole discretion of the Purchasing Division Director, and with approval from the Attorney General's office (Attorney General approval is as to form only), this Contract may be extended for a reasonable time after the initial Contract term or after any renewal term as may be necessary to obtain a new contract or renew this Contract. Any reasonable time extension shall not exceed twelve (12) months. Vendor may avoid a reasonable time extension by providing the Purchasing Division Director with written notice of Vendor's desire to terminate this Contract 30 days prior to the expiration of the then current term. During any reasonable time extension period, the Vendor may terminate this Contract for any reason upon giving the Purchasing Division Director 30 days written notice. Automatic extension of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases, but Attorney General approval may be required.

- ☐ **Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within days.
- ☐ **One Time Purchase:** The term of this Contract shall run from the issuance of the Purchase Order until all of the goods contracted for have been delivered, but in no event shall this Contract extend for more than one fiscal year.
- ☐ **Other:** See attached.

4. **NOTICE TO PROCEED:** Vendor shall begin performance of this Contract immediately upon receiving notice to proceed unless otherwise instructed by the Agency. Unless otherwise specified, the fully executed Purchase Order will be considered notice to proceed
5. **QUANTITIES:** The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.
 - ☒ **Open End Contract:** Quantities listed in this Solicitation are approximations only, based on estimates supplied by the Agency. It is understood and agreed that the Contract shall cover the quantities actually ordered for delivery during the term of the Contract, whether more or less than the quantities shown.
 - ☒ **Service:** The scope of the service to be provided will be more clearly defined in the specifications included herewith.
 - ☐ **Combined Service and Goods:** The scope of the service and deliverable goods to be provided will be more clearly defined in the specifications included herewith.
 - ☐ **One Time Purchase:** This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General's office.
6. **PRICING:** The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification.
7. **EMERGENCY PURCHASES:** The Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this Contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute of breach of this Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.
8. **REQUIRED DOCUMENTS:** All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.
 - ☐ **BID BOND:** All Vendors shall furnish a bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.

- [] **PERFORMANCE BOND:** The apparent successful Vendor shall provide a performance bond in the amount of . The performance bond must be issued and received by the Purchasing Division prior to Contract award. On construction contracts, the performance bond must be 100% of the Contract value.

- [] **LABOR/MATERIAL PAYMENT BOND:** The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be issued and delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable.

- [] **MAINTENANCE BOND:** The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.

- [] **WORKERS' COMPENSATION INSURANCE:** The apparent successful Vendor shall have appropriate workers' compensation insurance and shall provide proof thereof upon request.

- [] **INSURANCE:** The apparent successful Vendor shall furnish proof of the following insurance prior to Contract award:

- [] **Commercial General Liability Insurance:**
 or more.

- [] **Builders Risk Insurance:** builders risk – all risk insurance in an amount equal to 100% of the amount of the Contract.

- []

- []

- []

- []

- []

The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed above.

- [] **LICENSE(S) / CERTIFICATIONS / PERMITS:** In addition to anything required under the Section entitled Licensing, of the General Terms and Conditions, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits prior to Contract award, in a form acceptable to the Purchasing Division.

[]

[]

[]

[]

The apparent successful Vendor shall also furnish proof of any additional licenses or certifications contained in the specifications prior to Contract award regardless of whether or not that requirement is listed above.

- 9. LITIGATION BOND:** The Director reserves the right to require any Vendor that files a protest of an award to submit a litigation bond in the amount equal to one percent of the lowest bid submitted or \$5,000, whichever is greater. The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to, the purpose of harassing, causing unnecessary delay, or needless expense for the Agency. All litigation bonds shall be made payable to the Purchasing Division. In lieu of a bond, the protester may submit a cashier's check or certified check payable to the Purchasing Division. Cashier's or certified checks will be deposited with and held by the State Treasurer's office. If it is determined that the protest has not been filed for frivolous or improper purpose, the bond or deposit shall be returned in its entirety.

- 10. ALTERNATES:** Any model, brand, or specification listed herein establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.

- 11. EXCEPTIONS AND CLARIFICATIONS:** The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or

other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.

12. LIQUIDATED DAMAGES: Vendor shall pay liquidated damages in the amount

	for	

This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy.

13. ACCEPTANCE/REJECTION: The State may accept or reject any bid in whole, or in part. Vendor's signature on its bid signifies acceptance of the terms and conditions contained in the Solicitation and Vendor agrees to be bound by the terms of the Contract, as reflected in the Purchase Order, upon receipt.

14. REGISTRATION: Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee if applicable.

15. COMMUNICATION LIMITATIONS: In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.

16. FUNDING: This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available.

17. PAYMENT: Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled "Invoice To."

18. UNIT PRICE: Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.

19. DELIVERY: All quotations are considered freight on board destination ("F.O.B. destination") unless alternate shipping terms are clearly identified in the bid. Vendor's listing of shipping terms that contradict the shipping terms expressly required by this Solicitation may result in bid disqualification.

20. INTEREST: Interest attributable to late payment will only be permitted if authorized by the West Virginia Code. Presently, there is no provision in the law for interest on late payments.

21. PREFERENCE: Vendor Preference may only be granted upon written request and only in accordance with the West Virginia Code § 5A-3-37 and the West Virginia Code of State Rules. A Resident Vendor Certification form has been attached hereto to allow Vendor to apply for the preference. Vendor's

failure to submit the Resident Vendor Certification form with its bid will result in denial of Vendor Preference. Vendor Preference does not apply to construction projects.

- 22. SMALL, WOMEN-OWNED, OR MINORITY-OWNED BUSINESSES:** For any solicitations publicly advertised for bid on or after July 1, 2012, in accordance with West Virginia Code §5A-3-37(a)(7) and W. Va. CSR § 148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR § 148-22-9 shall be provided the same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR § 148-22-9 prior to submission of its bid to receive the preferences made available to resident vendors. Preference for a non-resident small, women-owned, or minority owned business shall be applied in accordance with W. Va. CSR § 148-22-9.
- 23. TAXES:** The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
- 24. CANCELLATION:** The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-7.16.2.
- 25. WAIVER OF MINOR IRREGULARITIES:** The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules § 148-1-4.6.
- 26. TIME:** Time is of the essence with regard to all matters of time and performance in this Contract.
- 27. APPLICABLE LAW:** This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code or West Virginia Code of State Rules is void and of no effect.
- 28. COMPLIANCE:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendors acknowledge that they have reviewed, understand, and will comply with all applicable law.
- 29. PREVAILING WAGE:** On any contract for the construction of a public improvement, Vendor and any subcontractors utilized by Vendor shall pay a rate or rates of wages which shall not be less than the fair minimum rate or rates of wages (prevailing wage), as established by the West Virginia Division of Labor under West Virginia Code §§ 21-5A-1 et seq. and available at <http://www.sos.wv.gov/administrative-law/wagerates/Pages/default.aspx>. Vendor shall be responsible for ensuring compliance with prevailing wage requirements and determining when prevailing wage

requirements are applicable. The required contract provisions contained in West Virginia Code of State Rules § 42-7-3 are specifically incorporated herein by reference.

30. **ARBITRATION:** Any references made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.
31. **MODIFICATIONS:** This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary, no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). **No Change shall be implemented by the Vendor until such time as the Vendor receives an approved written change order from the Purchasing Division.**
32. **WAIVER:** The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.
33. **SUBSEQUENT FORMS:** The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.
34. **ASSIGNMENT:** Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments. Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.
35. **WARRANTY:** The Vendor expressly warrants that the goods and/or services covered by this Contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.
36. **STATE EMPLOYEES:** State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.
37. **BANKRUPTCY:** In the event the Vendor files for bankruptcy protection, the State of West Virginia may deem this Contract null and void, and terminate this Contract without notice.

- 38. HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at <http://www.state.wv.us/admin/purchase/vrc/hipaa.html> and is hereby made part of the agreement provided that the Agency meets the definition of a Covered entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the Vendor. Additionally, the HIPAA Privacy, Security, Enforcement & Breach Notification Final Omnibus Rule was published on January 25, 2013. It may be viewed online at <http://www.gpo.gov/fdsys/pkg/FR-2013-01-25/pdf/2013-01073.pdf>. Any organization, that qualifies as the Agency's Business Associate, is expected to be in compliance with this Final Rule. For those Business Associates entering into contracts with a HIPAA Covered State Agency between January 25, 2013 and the release of the 2013 WV State Agency Business Associate Agreement, or September 23, 2013 (whichever is earlier), be advised that you will be required to comply with the 2013 WV State Agency Business Associate Agreement. For those Business Associates with contracts with a HIPAA Covered State Agency executed prior to January 25, 2013, be advised that upon renewal or modification, you will be required to comply with the 2013 WV State Agency Business Associate Agreement no later than September 22, 2014.
- 39. CONFIDENTIALITY:** The Vendor agrees that it will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the Agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the Agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/default.html>.
- 40. DISCLOSURE:** Vendor's response to the Solicitation and the resulting Contract are considered public documents and will be disclosed to the public in accordance with the laws, rules, and policies governing the West Virginia Purchasing Division. Those laws include, but are not limited to, the Freedom of Information Act found in West Virginia Code § 29B-1-1 et seq.

If a Vendor considers any part of its bid to be exempt from public disclosure, Vendor must so indicate by specifically identifying the exempt information, identifying the exemption that applies, providing a detailed justification for the exemption, segregating the exempt information from the general bid information, and submitting the exempt information as part of its bid but in a segregated and clearly identifiable format. Failure to comply with the foregoing requirements will result in public disclosure of the Vendor's bid without further notice. A Vendor's act of marking all or nearly all of its bid as exempt is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor's act of marking a bid or any part thereof as "confidential" or "proprietary" is not sufficient to avoid disclosure and WILL NOT BE HONORED. In addition, a legend or other statement indicating that all or substantially all of the bid is exempt from disclosure is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor will be required to defend any claimed exemption for nondisclosure in the event of an administrative or judicial challenge to the State's nondisclosure. Vendor must indemnify the State for any costs incurred related to any exemptions claimed by Vendor. Any questions regarding the applicability of the various public records laws should be addressed to your own legal counsel prior to bid submission.

41. LICENSING: In accordance with West Virginia Code of State Rules §148-1-6.1.7, Vendor must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agency or political subdivision. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Purchasing Division Director or the Agency to verify that the Vendor is licensed and in good standing with the above entities.

42. ANTITRUST: In submitting a bid to, signing a contract with, or accepting a Purchase Order from any agency of the State of West Virginia, the Vendor agrees to convey, sell, assign, or transfer to the State of West Virginia all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to Vendor.

43. VENDOR CERTIFICATIONS: By signing its bid or entering into this Contract, Vendor certifies (1) that its bid was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person or entity submitting a bid for the same material, supplies, equipment or services; (2) that its bid is in all respects fair and without collusion or fraud; (3) that this Contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; and (4) that it has reviewed this RFQ in its entirety; understands the requirements, terms and conditions, and other information contained herein. Vendor's signature on its bid also affirms that neither it nor its representatives have any interest, nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Agency.

The individual signing this bid on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or any documents related thereto on Vendor's behalf; that he or she is authorized to bind the Vendor in a contractual relationship; and that, to the best of his or her knowledge, the Vendor has properly registered with any State agency that may require registration.

44. PURCHASING CARD ACCEPTANCE: The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this Contract unless the box below is checked.

☐ Vendor is not required to accept the State of West Virginia's Purchasing Card as payment for all goods and services.

45. VENDOR RELATIONSHIP: The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this Contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Vendor shall be responsible for selecting,

supervising, and compensating any and all individuals employed pursuant to the terms of this Solicitation and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the State for any purpose whatsoever. Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, licensing fees, *etc.* and the filing of all necessary documents, forms and returns pertinent to all of the foregoing. Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

- 46. INDEMNIFICATION:** The Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contract in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.
- 47. PURCHASING AFFIDAVIT:** In accordance with West Virginia Code § 5A-3-10a, all Vendors are required to sign, notarize, and submit the Purchasing Affidavit stating that neither the Vendor nor a related party owe a debt to the State in excess of \$1,000. The affidavit must be submitted prior to award, but should be submitted with the Vendor's bid. A copy of the Purchasing Affidavit is included herewith.
- 48. ADDITIONAL AGENCY AND LOCAL GOVERNMENT USE:** This Contract may be utilized by and extends to other agencies, spending units, and political subdivisions of the State of West Virginia; county, municipal, and other local government bodies; and school districts ("Other Government Entities"). This Contract shall be extended to the aforementioned Other Government Entities on the same prices, terms, and conditions as those offered and agreed to in this Contract. If the Vendor does not wish to extend the prices, terms, and conditions of its bid and subsequent contract to the Other Government Entities, the Vendor must clearly indicate such refusal in its bid. A refusal to extend this Contract to the Other Government Entities shall not impact or influence the award of this Contract in any manner.
- 49. CONFLICT OF INTEREST:** Vendor, its officers or members or employees, shall not presently have or acquire any interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Vendor shall periodically inquire of its officers, members and employees to ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.

50. REPORTS: Vendor shall provide the Agency and/or the Purchasing Division with the following reports identified by a checked box below:

- ☒ Such reports as the Agency and/or the Purchasing Division may request. Requested reports may include, but are not limited to, quantities purchased, agencies utilizing the contract, total contract expenditures by agency, etc.
- ☐ Quarterly reports detailing the total quantity of purchases in units and dollars, along with a listing of purchases by agency. Quarterly reports should be delivered to the Purchasing Division via email at purchasing.requisitions@wv.gov.

51. BACKGROUND CHECK: In accordance with W. Va. Code § 15-2D-3, the Director of the Division of Protective Services shall require any service provider whose employees are regularly employed on the grounds or in the buildings of the Capitol complex or who have access to sensitive or critical information to submit to a fingerprint-based state and federal background inquiry through the state repository. The service provider is responsible for any costs associated with the fingerprint-based state and federal background inquiry.

After the contract for such services has been approved, but before any such employees are permitted to be on the grounds or in the buildings of the Capitol complex or have access to sensitive or critical information, the service provider shall submit a list of all persons who will be physically present and working at the Capitol complex to the Director of the Division of Protective Services for purposes of verifying compliance with this provision.

The State reserves the right to prohibit a service provider's employees from accessing sensitive or critical information or to be present at the Capitol complex based upon results addressed from a criminal background check.

Service providers should contact the West Virginia Division of Protective Services by phone at (304) 558-9911 for more information.

52. PREFERENCE FOR USE OF DOMESTIC STEEL PRODUCTS: Except when authorized by the Director of the Purchasing Division pursuant to W. Va. Code § 5A-3-56, no contractor may use or supply steel products for a State Contract Project other than those steel products made in the United States. A contractor who uses steel products in violation of this section may be subject to civil penalties pursuant to W. Va. Code § 5A-3-56. As used in this section:

- a. "State Contract Project" means any erection or construction of, or any addition to, alteration of or other improvement to any building or structure, including, but not limited to, roads or highways, or the installation of any heating or cooling or ventilating plants or other equipment, or the supply of and materials for such projects, pursuant to a contract with the State of West Virginia for which bids were solicited on or after June 6, 2001.
- b. "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated or otherwise similarly processed, or processed by a combination of two or more or

such operations, from steel made by the open hearth, basic oxygen, electric furnace, Bessemer or other steel making process.

The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:

- a. The cost for each contract item used does not exceed one tenth of one percent (.1%) of the total contract cost or two thousand five hundred dollars (\$2,500.00), whichever is greater. For the purposes of this section, the cost is the value of the steel product as delivered to the project; or
- b. The Director of the Purchasing Division determines that specified steel materials are not produced in the United States in sufficient quantity or otherwise are not reasonably available to meet contract requirements.

53. PREFERENCE FOR USE OF DOMESTIC ALUMINUM, GLASS, AND STEEL: In Accordance with W. Va. Code § 5-19-1 et seq., and W. Va. CSR § 148-10-1 et seq., for every contract or subcontract, subject to the limitations contained herein, for the construction, reconstruction, alteration, repair, improvement or maintenance of public works or for the purchase of any item of machinery or equipment to be used at sites of public works, only domestic aluminum, glass or steel products shall be supplied unless the spending officer determines, in writing, after the receipt of offers or bids, (1) that the cost of domestic aluminum, glass or steel products is unreasonable or inconsistent with the public interest of the State of West Virginia, (2) that domestic aluminum, glass or steel products are not produced in sufficient quantities to meet the contract requirements, or (3) the available domestic aluminum, glass, or steel do not meet the contract specifications. This provision only applies to public works contracts awarded in an amount more than fifty thousand dollars (\$50,000) or public works contracts that require more than ten thousand pounds of steel products.

The cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than twenty percent (20%) of the bid or offered price for foreign made aluminum, glass, or steel products. If the domestic aluminum, glass or steel products to be supplied or produced in a "substantial labor surplus area", as defined by the United States Department of Labor, the cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than thirty percent (30%) of the bid or offered price for foreign made aluminum, glass, or steel products.

This preference shall be applied to an item of machinery or equipment, as indicated above, when the item is a single unit of equipment or machinery manufactured primarily of aluminum, glass or steel, is part of a public works contract and has the sole purpose or of being a permanent part of a single public works project. This provision does not apply to equipment or machinery purchased by a spending unit for use by that spending unit and not as part of a single public works project.

All bids and offers including domestic aluminum, glass or steel products that exceed bid or offer prices including foreign aluminum, glass or steel products after application of the preferences provided in this provision may be reduced to a price equal to or lower than the lowest bid or offer price for foreign aluminum, glass or steel products plus the applicable preference. If the reduced bid or offer prices are made in writing and supersede the prior bid or offer prices, all bids or offers, including the reduced bid or offer prices, will be reevaluated in accordance with this rule.

RFQ FLT13997
Technical Questions and Answers – May 8, 2013

1. Can the State provide a complete inventory breakout of its vehicles by cars, light trucks, Med/Hvy and Equipment?

Answer: Yes. FMO will provide a completed list to the successful vendor.

2. 4.1.2.4-- what exactly does the State require here? Matching up vehicles versus NHTSA safety data, recall info, etc...? In addition, is it required to go to the driver level or just to the supervisor?

Answer: The state requires a forum (web based) that would house and make available safety information from the NHTSA and or internal vendor data that can track maintenance trends on certain makes and models of vehicles. For example: a 2010 F150 can expect a front end job around 80,000 miles; A 2012 Jeep has a recall out for electrical problems; A 2012 a Volvo was the safest vehicle to drive.

This data is required to go to the Agency Fleet Coordinator.

3. 4.1.2.20-- does this mean that CGI and Agile Assets have software that the State wants us to provide our maintenance data to?

Answer: Yes

4. 4.1.2.17-- is this point to point logging or business and/or personal for specific time periods?

Answer: The State wants the vendor to have a mechanism for drivers to report personal, business, commuting and total monthly mileage. This requirement has now been changed to Optional Services. See Answers to Question 8 of this document.

5. 4.1.2.18-- does this service include paying for the tickets.

Answer: No. This requirement has now been changed to Optional Services. See Answers to Question 8 of this document.

4.1.2.14—what does the State require here? Notification of a completed repair?

Answer: The vendor must notify the agencies coordinator of approximate repair time and when repairs are completed.

6. Paragraph # 23 Taxes(page 11)-- what if a vehicle is repaired outside the State of WV. Normally taxes are owed then

Answer: The T&C's is Purchasing's standard language. Please direct question to Krista Ferrell

7. The price sheet as presented asks for a lump sum cost for all services noted in the specifications except for those in Section 4.1.7. This would include fringe benefit (4.1.2.16), trip log reporting (4.1.2.17), and violations and toll management (4.1.2.18), and data integration (4.1.2.20). These services would normally be priced independently as they are not related. Would the awarded bidder be guaranteed that all services would be put in place if they propose one bundled rate?

Answer: No. Changes to Mandatory Specifications 4.1.2.16, 4.1.2.17 and 4.1.2.18 are:

MANDATORY SPECIFICATION NOW READS:

- 4.1.2.16 Vendor must implement a fringe program that meets Internal Revenue Service substantiation requirements as required by the Internal Revenue Service (IRS) Publication 15-B, Employer's Tax Guide to Fringe Benefits, published under U.S. Code Title 26.

CHANGED TO READ OPTIONAL SERVICES:

- 4.1.7.8 Vendor shall implement a fringe program that meets Internal Revenue Service substantiation requirements as required by the Internal Revenue Service (IRS) Publication 15-B, Employer's Tax Guide to Fringe Benefits, published under U.S. Code Title 26.

MANDATORY SPECIFICATION NOW READS:

- 4.1.2.17 Vendor must provide trip logging and calculation functionality for official use, personal use, employee-owned vehicle mileage reimbursement, and rental car use.

CHANGED TO READ OPTIONAL SERVICES:

- 4.1.7.9 Vendor shall provide trip logging and calculation functionality for official use, personal use, employee-owned vehicle mileage reimbursement, and rental car use.

MANDATORY SPECIFICATION NOW READS:

- 4.1.2.18 Vendor must implement a browser client-server toll, citation, and violation reporting application which is integrated with maintenance, repair service, and garage management applications.

CHANGED TO READ OPTIONAL SERVICES:

- 4.1.7.10 Vendor shall implement a browser client-server toll, citation, and violation reporting application which is integrated with maintenance, repair service, and garage management applications.

REQUEST FOR QUOTATION
FTL13997 VEHICLE MAINTENANCE SERVICES

SPECIFICATIONS

1. **PURPOSE AND SCOPE:** The West Virginia Purchasing Division is soliciting bids on behalf of State of West Virginia - Fleet Management Office (FMO) to establish a contract for obtaining maintenance and repair management services for vehicles leased, owned, operated, maintained, managed or administered by the State of West Virginia - FMO. This solicitation serves as notice, pursuant to West Virginia Code §5A-3-10b, of the commodity or service being sought and is to be considered the opportunity for vendors to indicate their interest in bidding on such commodity or service.

2. **DEFINITIONS:** The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.
 - 2.1 **“Contract Services”** means to provide maintenance and management services for approximately 7811 vehicles.

 - 2.2 **“Pricing Page”** means the pages upon which Vendor should list its proposed price for the Contract Services. The Pricing Page is either included on the last page of this RFQ or attached hereto as Exhibit A.

 - 2.3 **“RFQ”** means the official request for quotation published by the Purchasing Division and identified as FTL13997.

 - 2.4 **“Vehicle”** means any and all motor vehicles leased, owned and/or maintained by the State of West Virginia.

 - 2.5 **“Vendor” or “Vendors”** means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

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FTL13997 VEHICLE MAINTENANCE SERVICES

3. FMO BACKGROUND INFORMATION: The following is a summary of the current Fleet Management department:

- 3.1. The State of West Virginia has an automated fleet program for the management of maintenance and repairs of vehicles which are rented, leased, owned, operated, maintained, managed or administered (WV Code §5A-3-48 through 5A-3-53) by the Fleet Management Office (FMO).

The FMO is required by statute to provide comprehensive fleet services which include both mission essential and mission enhancing processes, functions, tasks, and activities to all state agencies.

- 3.2. The State's vehicles, some of which may have multiple drivers (shared-use) are located throughout the state and driven or operated both within the state and nationwide.

- 3.3. The vehicles or equipment units described in the RFQ are generally: state-owned, leased, or rented sedans, trucks, vans, sport utility vehicles (passenger vehicles); and state-owned, leased or rented cargo, all-terrain, marine, public health, safety, emergency management vehicles, and ancillary equipment (specialty vehicles and equipment). The following information typifies the fleet:

Total # of Vehicles under 10,000 GVW	7,811
Average Months-In-Service - Vehicle	39
Average Months-In-Service - Equipment	Various
Vehicles four years old and have 100,000 miles	261
Unresolved manufacturer recalls	145
Vehicles centrally managed by FMO	10,771
Vehicles driven less than 18,000 miles annually	1,511
Alternative fuel capable vehicles purchased annually by the state	280

- 3.4. The Fleet Management Office manages the workflow processes for the purchase, lease, rental (short-term lease), utilization, maintenance, repair, and storage for approximately ten thousand seven hundred seventy-one (10,771) new passenger or specialty vehicles annually. The West Virginia fleet vehicle replacement policy requires retention of at least four (4) years and odometer reading of one-hundred thousand (100,000) miles at the time of disposal.

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- 3.5. The State has several disparate fleet and/or garage management systems maintained by several state agencies, e.g., Department of Administration, Division of Highways, West Virginia State Police, Higher Education Policy Commission, etc. These same systems include differing programming languages such as Oracle, System Query Language (SQL), and Microsoft System Data Operating System (MS DOS). The State intends to consolidate the management and integration of these systems into one unified operating systems consistent with the data requirements of the State's recently awarded Enterprise Readiness Program (ERP) provided by CGI and Agile Assets.
- 3.6. Vehicles may be driven nationally, but should not be driven outside the contiguous United States.

4. MANDATORY REQUIREMENTS:

- 4.1 Mandatory Contract Services Requirements and Deliverables:** Contract Services must meet or exceed the mandatory requirements listed below.

4.1.1 Maintenance and Repair Services Program General Requirements

- 4.1.1.1 Vendor must furnish maintenance and repair services program for each vehicle in the fleet.
- 4.1.1.2 Vendor must deal directly with any maintenance and repair service provider concerning the cost and need for any repair. The pre-approval level for repairs will be provided to the successful vendor.
- 4.1.1.3 Vendor must furnish a maintenance packet for each vehicle that includes program explanations of emergency repairs, towing and services available. Vendor will be provided a list of current vehicles for which the vendor will supply a maintenance packet within ten working days. Vendor will supply a maintenance packet within five working days for new vehicles or for replacement packets.
- 4.1.1.4 Vendor must allow the purchase of tires in emergency situations only. As a general rule, tires will be obtained outside of this contract.

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- 4.1.1.5** Vendor must capture vehicle odometer reading at the time service is provided for reporting purposes from the service provider as defined in Section 4.1.3 of this document.

4.1.2 Data Management

- 4.1.2.1** All data and reports must be available to be exported into Microsoft Excel 2010.
- 4.1.2.2** Vendor must implement data analytical service management using integrated, browser client-server applications for the following core fleet processes:
- 4.1.2.2.1** Fleet utilization management
 - 4.1.2.2.2** Vehicle specifications
 - 4.1.2.2.3** Maintenance management
 - 4.1.2.2.4** Fleet cycling (replacement management)
 - 4.1.2.2.5** Total cost of ownership analytics
 - 4.1.2.2.6** Cost management and cost containment
 - 4.1.2.2.7** Industry best practice modeling
 - 4.1.2.2.8** Mechanism to record and track internal garage maintenance activity
- 4.1.2.3** Vendor must implement narrative and graphical performance reviews for the FMO (consolidated) and state spending units (by spending unit billing code), no less than annually to demonstrate achieved cost savings based upon agreed metrics for the state and spending units as well as identifying other service areas with the potential to achieve increased cost savings or cost containment for the state and spending units.
- 4.1.2.4** Vendor must capture, integrate, and provide National Highway Transportation Safety Administration safety data and vehicle recall information to driver and spending unit fleet coordinator using a browser client-server application.
- 4.1.2.5** Vendor must implement a payment mechanism for preventive maintenance such as coupon, virtual coupon, limited value service card,

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or browser client-server application that does not require pre-authorization by a driver prior to use.

4.1.2.6 Vendor must implement preventative maintenance management to establish parameters including time, calendar, odometer, power take off, or operating hours.

4.1.2.7 Vendor must implement a browser client-service preventive maintenance application that is driver-centric and can produce maintenance reminders using email or SMS and notify spending unit fleet coordinators when established thresholds are pending or have been exceeded.

4.1.2.8 Vendor must implement a browser client-server maintenance management and repair application for light-duty vehicles that provides real-time, line item visibility of maintenance and repair outcomes (invoices, work orders, or work requests), including narrative comments (if applicable) which contain documented savings in reduced labor rate charges, reduced parts charges, reduced core charges, and any warranty recovery savings. Metrics will be agreed upon with the successful vendor.

4.1.2.9 Vendor must implement repair service management based on established thresholds including time, calendar, odometer, power take off, operating hours, estimated cost.

4.1.2.10 Vendor must implement management of third-party logistics Vendors (3PL) includes:

4.1.2.10.1 3PL provides the lowest repair cost to the state based off of The Mechanics Flat Labor Rate Guide or an agreed upon equivalent.

4.1.2.10.2 3PL executes real-time odometer entry and accounts receivable processing.

4.1.2.10.3 3PL is within reasonable proximity to vehicle location – five (5) miles.

4.1.2.10.4 3PL uses Original Equipment Manufacturer (OEM) or equivalent, warranted parts during vehicle warranty period. Post OEM warranty coverage

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period, the 3PL uses OEM or equivalent after-market parts whichever is most cost-effective.

4.1.2.10.5 3PL recovery of one hundred (100%) percent of warrantied part's value through part replacement by the 3PL or reimbursement by the part's manufacturer.

4.1.2.10.6 3PL payment credit or reimbursement of one hundred (100%) percent of the manufacturer part's warranty value with "Warranty recovery" clearly identified on spending unit invoice or reimbursement check detail if payment is made by check.

4.1.2.11 Vendor must implement and manage a maintenance management contact center available to drivers and fleet coordinators 24/7/365.

4.1.2.12 Vendor must implement and manage a 24-hour roadside assistance program with the following core functions:

4.1.2.12.1 Toll-free assistance line.

4.1.2.12.2 Emergency towing service.

4.1.2.12.3 Tire-changing service.

4.1.2.12.4 Battery jump service.

4.1.2.12.5 Lockout service.

4.1.2.13 Vendor must implement a browser client-server application for agency garage management, reporting and tracking.

4.1.2.14 Vendor must implement email notification to user group (driver and supervisor) and garage supervisor on vehicle status.

4.1.2.15 Vendor must implement garage management reporting of garage performance externally (3PL sublet) and internally (in-house) (if applicable).

4.1.2.15.1 Fully-burdened labor rate

4.1.2.15.2 Parts turn rate

4.1.2.15.3 Parts inventory

4.1.2.15.4 Staffing levels

4.1.2.15.5 Labor hours

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4.1.2.15.6 Work requests missing parts

4.1.2.15.7 Work request history

4.1.2.15.8 Controlled authorization savings

4.1.2.16 Vendor must provide, manage, and integrate a browser client-server asset management application with inventory and multi-criteria replacement methodologies, e.g., vehicle age, accrued mileage, life-to-date maintenance costs, predictive maintenance costs by automotive systems, manufacturer, VIN make, and VIN model.

4.1.2.17 Vendor must provide ability to communicate and interface requested information via data feeds to the consolidated ERP Vendor (currently CGI and Agile Assets).

4.1.3 Reporting

4.1.3.1 Vendor must distribute standardized reports (ie: maintenance by VIN, by 3PL, by vehicle make/model, by maintenance type, by department, etc.) to designated agencies as determined necessary without additional charges. Additionally, the vendor will develop specialized reports unique to each agency's needs.

4.1.3.2 Vendor must provide a quarterly report to FMO detailing savings recovered by efforts of the Vendor.

4.1.3.3 Vendor must ensure that all reports are mathematically correct. Rounding of individual costs is not acceptable.

4.1.3.4 Vendor must provide on-line computer access (viewing only) to vehicle maintenance and/or repair expense information. Estimated number of view-only users is approximately 100.

4.1.3.5 Vendor must provide a reporting tool for in-house maintenance and repair facilities to report maintenance and repair issues for record keeping purposes.

4.1.3.6 Vendor must furnish recall notification and other warranty / service information received from any source.

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4.1.3.7 Vendor must create and maintain all maintenance and repair records for each vehicle and screen all maintenance and repair requests. The FMO requires that the vendor keep automated maintenance and repair records for as long as the vehicle is enrolled in the vendor's maintenance and repair program. The vendor must also keep records and supporting documentation that may be need to satisfy any and all manufacturer's claims or other disputed maintenance and repair issues. Records shall be surrendered to the State upon the end of each vehicle's life and upon contract termination.

4.1.3.8 Vendor must provide documentation showing a reduction in the percentage of non-exempted vehicles being driven less than 1,100 miles monthly.

4.1.4 Management / Administration

4.1.4.1 Vendor must send a minimum of one key person as identified by FMO at no additional cost to visit designed agency representatives upon request. No more than four (4) half day visits will be required during contract period.

4.1.4.2 The successful vendor must provide FMO with a list of principal service personnel. List shall include contact names, phone numbers, and email addresses.

4.1.4.3 Vendor must participate, at FMO's request, at seminars to educate drivers/Fleet customers on program requirements in West Virginia at no additional cost to the state. FMO will notify vendor of request a minimum of two weeks prior to engagement. A maximum of two (2) seminars will be required yearly. Vendor must provide training as required for full understanding and utilization of reports and analysis of operating costs and cost trends at no additional cost to the agency.

4.1.4.4 Vendor must provide capability for FMO and designee to interact online with vendor for ordering, inquiry, information, updating and reporting purposes. The estimated number of interactive users is approximately ten (10).

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4.1.4.5 The vendor must provide information concerning changes in industry practices, policies, regulations, and/or other related information to FMO. For example: periodic publications for review by the FMO concerning 1) suggestions for prompt and effective maintenance; and, 2): national fleet information from manufacturers, consultants, etc.

4.1.4.6 Vendor must allow FMO to periodically visit the vendor to verify / review the program in operation.

4.1.4.7 Vendor must provide a number, list of names and locations of maintenance and repair service providers in West Virginia, Virginia, Kentucky, Ohio, Maryland, and Pennsylvania. This list should be provided with the bid.

4.1.4.8 Vendor must have a toll-free line which includes ASE Certified Technicians, 365 days a year, 7 days a week, 24 hours a day to monitor all maintenance and repair requests. If applicable, nights and weekends may be reserved for limited emergency services and handled by the vendor's subcontractor. The primary vendor, however, retains all contractual responsibilities.

4.1.5 Invoicing

4.1.5.1 Vendor must have the ability to invoice individual agencies as designated by the FMO or accept P-card payment. Agency must designate payment on agency release order. The vendor will pay directly to maintenance and repair service providers all charges, except any assessed taxes, made by drivers and invoice the designated agency on a monthly basis.

4.1.5.2 Vendor must ensure that any assessed taxes are not passed along to the FMO or its designated agency for payment.

4.1.5.3 Vendor must reimburse the State of West Virginia for all discounts, rebates, and warranty recovery.

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4.1.5.4 Vendor must monitor warranty repairs and seek automobile manufacturer reimbursement. These charges are not to be passed along to the FMO or its designee

4.1.6 Qualifications and Experience

4.1.6.1 Vendor must provide three jobs of similar size and scope to demonstrate recent experience providing and implementing fleet management programs and services for governmental entities.

4.1.7 Optional Services

4.1.7.1 Vendor should provide a means for identifying vehicles as "Official State Vehicles" offering a toll-free telephone number for concerned citizens to report situations. Such reports will be forwarded to the Fleet Management Office and/or designee

4.1.7.2 Vendor should provide a Driver's Safety Education Program by 1) supplying driver safety handbooks to all new and existing drivers or 2) conducting driver safety education classes and/or instructional media. Vendors may use electronic media to fulfill this requirement.

4.1.7.3 Vendor should implement a browser client-server application for agency garage management and parts inventory management.

4.1.7.4 Vendor should provide a browser client-server VIN decoder application to the FMO. The information should at a minimum define: make, model, year.

4.1.7.5 The vendor should provide an initial report detailing the fleet's carbon footprint and track the fleet's carbon footprint yearly.

4.1.7.6 Vendor should integrate and manage the state's fuel-only credit card program; and provide a browser client-server application to ensure fuel expenditures are appropriate; vehicle performance trends are satisfactory; and Vendor-to-agency monthly billings are accurate.

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- 4.1.7.7 Vendor should provide, manage, and integrate alternative fuels strategic consulting services for alternative fuel vehicle selector list development; and alternative fueling infrastructure planning.
- 4.1.7.8 Vendor should implement a fringe program that meets Internal Revenue Service substantiation requirements as required by the Internal Revenue Service (IRS) Publication 15-B, Employer's Tax Guide to Fringe Benefits, published under U.S. Code Title 26.
- 4.1.7.9 Vendor should provide trip logging and calculation functionality for official use, personal use, employee-owned vehicle mileage reimbursement, and rental car use.
- 4.1.7.10 Vendor should implement a browser client-server toll, citation, and violation reporting application which is integrated with maintenance, repair service, and garage management applications.

5. CONTRACT AWARD:

5.1 Contract Award: The Contract is intended to provide Agency with a purchase price for the Contract Services. The Contract shall be awarded to the Vendor that provides the Contract Services meeting the required specifications for the lowest overall total cost as shown on the Pricing Pages.

5.2 Pricing Page: Vendor should complete the Pricing Page by listing a Unit price for the Mandatory Services and prices for the Optional Services they are capable of providing. Optional Services may be selected at the Agency's discretion during the life of the contract and shall be billed at the prices provided in the attached pricing page. Award shall be based on the total of the Mandatory Services.

Vendor should multiply the Unit Price by the Estimated Quantity to arrive at the Extended Price for each line item requested. Additionally, the vendor should provide a summation of the extended prices for each section as indicated on the Pricing Page. Vendor should complete the Pricing Page in full as failure to complete the Pricing Page in its entirety may result in Vendor's bid being disqualified. An electronic version of the Pricing Page is available to registered vendors by accessing the WV Purchasing Bulletin at <http://www.state.wv.us/admin/purchase/newbul.htm> or by contacting Krista S. Ferrell at krista.s.ferrell@wv.gov.

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Notwithstanding the foregoing, the Purchasing Division may correct errors as it deems appropriate. Vendor should type or electronically enter the information into the Pricing Page to prevent errors in the evaluation.

6. **PERFORMANCE:** Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.
7. **PAYMENT:** Agency shall pay all pass-through monthly maintenance expenses as outlined by FMO using State Agency Bill Codes. FMO will pay for all fixed management expenses associated with the cost of providing mandatory services listed in this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.
8. **TRAVEL:** Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat fee or hourly rate listed on Vendor's bid, but such costs will not be paid by the Agency separately.
9. **VENDOR DEFAULT:**
 - 9.1. The following shall be considered a vendor default under this Contract.
 - 9.1.1. Failure to perform Contract Services in accordance with the requirements contained herein.
 - 9.1.2. Failure to comply with other specifications and requirements contained herein.
 - 9.1.3. Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.
 - 9.1.4. Failure to remedy deficient performance upon request.
 - 9.2. The following remedies shall be available to Agency upon default.
 - 9.2.1. Cancellation of the Contract.
 - 9.2.2. Cancellation of one or more release orders issued under this Contract.
 - 9.2.3. Any other remedies available in law or equity.

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10. MISCELLANEOUS:

10.1. Contract Manager: During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

Contract Manager: _____

Telephone Number: _____

Fax Number: _____

Email Address: _____



Automotive Resources International

SEALED BID

BUYER: KRISTA FERREL

RFQ. NO.: FLT13997

BID OPENING DATE: 5/15/13

BID OPENING TIME: 1:30 PM

CERTIFIED SUCCESSFUL BIDDER

FILE NO. 21
BY Krista S. Ferrell
DATE June 5, 2012

Submitted by:
Craig Jones
Senior District Sales Manager
Cincinnati Regional Office
312 Walnut Street, Suite 1540
Cincinnati, OH 45202
P (513) 241-2573 | C (513) 262-9992
cjones@arifleet.com

Driven.



05/14/13 09:03:52 AM
West Virginia Purchasing Division

Maintenance and Repair Management RFQ

May 15, 2013



Executive Summary

The ARI team thanks the State of West Virginia for the opportunity to respond to RFQ FLT13997 Maintenance and Repair Management. ARI is proud of the 7 year current partnership we have in place with the State and looks forward to the opportunity to continue this partnership.

Evaluating RFQs can be a daunting task and we are detailing below what we believe are true differentiators for ARI. We hope that this will help you with your "apples to apples" price comparisons when evaluating your responses.

Pricing methodology

ARI believes in full disclosure pricing. When pricing our maintenance program, we offer two methods of pricing, taking into consideration the type of 3PL vendor used. There are two types of vendors: National Account Vendors and Independent Vendors. National Account vendors, such as the national chain stores, will remit a rebate to the fleet management company. An independent vendor, such as an individually owned garage, provides no revenue stream to the fleet management company. Therefore, to cover our administrative costs in issuing purchase orders and staffing a call center, we apply a small markup to the repair charge when an independent vendor is used. It has been brought to our attention that the agencies utilizing the fleet management program raised concerns about the markup. Therefore, you will see in our pricing sheet that we have offered an all-in monthly fee, but have eliminated the independent vendor fee.

Vendor Relations

Another thing to take into consideration when comparing the pricing in this RFQ is the way in which vendors are paid. The WV agencies are currently using independent vendors for 80% of their repairs. The relationship the agencies have with these vendors is extremely important. **We pay our vendor 100% of the purchase order, with no short payment, and we pay them within 48 hours.** Some fleet management companies will make up for the lack of revenue from independent vendors by short paying them by as much as 15% of the repair. We have found that this results in higher costs to the end user, because the vendor will mark up his purchase order to that fleet management company to cover the short payment.

We utilize an open vendor network, rather than a preferred vendor network used by most companies within the fleet management industry. An open vendor network allows the State of West Virginia to utilize the vendors of your choice, without restriction. Currently, our network consists of over 190 National Account shops, and more than 1,100 independent shops within the State. Additionally, we can add any facilities that your agencies might be utilizing. This will be especially important as the State looks to increase participation with other state agencies. We want your agencies to initially utilize the vendor that is most convenient to them. After we work with the vendor we will provide the agencies a vendor optimization analysis which will identify regional vendors that illustrate their current vendor has the lowest labor rates, etc. or advise other vendors that may be more cost effective in the area.



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Intellifleet Enhancements

ARI invests twenty cents on every dollar earned into technology. As an example of this, we have made significant investment into our internal technician reporting tool, Intellifleet. The design behind our enhancements came down to two areas – cost savings for our clients and technician efficiency. Our new system will use business intelligence and forecasting, marketing intelligence, and real-time supplemental data to provide the ASE-certified technicians in our Technical Resource Centers with the knowledge and tools they need to bring even more value to the repair process. We are highlighting two of the biggest pieces of phase one of our system enhancements.

Parts Sourcing

Repair vendors source parts themselves and then charge their own retail prices, which can be as much as 10 to 40 percent higher than wholesale prices. Under our new maintenance program, ARI will source some parts directly from national accounts suppliers (wholesale), leveraging purchasing volume to get discounts. The parts would be sourced in the same manner as when the shop does it directly; except that the parts will now be purchased by ARI and the shop would not have the opportunity to mark up prices. This new parts sourcing strategy will benefit our clients by:

- Lowering the cost of parts
- Creating a possible opportunity for upgraded parts at discounted prices
- Reducing vehicle downtime by procuring parts faster

High Performance Vendors

ARI is constantly looking for ways to improve fleet management services. Ongoing efforts to identify opportunities resulted in a strategic shift in our approach to many facets of fleet management, with key focus items identified as follows:

- Leverage ARI's volume to maximize value to clients
- Provide quantifiable cost savings (process and system)
- Take advantage of new technologies (additional system functionality, better negotiation tools, quantifiable cost savings and reporting, real-time information available to ASE techs in all call centers,)

One key area of opportunity involves ARI's network of independent installers. ARI will continue to utilize a very flexible open network of over 60,000 independent installers but is also implementing a process to identify and establish a network of primary vendors with priorities to support many of the goals outlined above.

The ARI High Performance Vendor Network™ has been established with the following guidelines:

- Pre-negotiated labor rates within local markets.



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- Consistent repair experience and agreement by the selected vendors to adhere to guidelines and business practices.
- Parts sourcing on selected parts where savings opportunities exist but can be delivered from a local parts source in less than an hour. If a part is not available within a reasonable time, the ARI tech will instruct the installer to procure the part locally, just as they do today. This process includes establishment of purchase agreements between ARI and national parts brand suppliers, assuring acquisition prices lower than local market price and ensures consistent part quality.
- Participation by the independent vendor is completely voluntary and ARI still maintains its open network and the flexibility within that model.
- The ARI High Performance Vendor Network is dramatically different from competitors' preferred networks, in that ARI does not negatively affect the vendor's revenue (no short pay), so the vendor has no potential motivation to inflate pricing as a compensation mechanism. All labor and parts billing amounts are passed directly through to clients as they are today.

The ARI High Performance Vendor Network™ model provides client value and business growth opportunity for participating vendors. ARI has invested significant resources to completely redesign Intellifleet, to integrate and combine the latest technologies to maximize technician efficiencies and also to better support business processes defined above for better negotiation, maximize value within the repair process, and increased ability to direct business to both client preferred and High Performance vendors.

ASE Certified Technicians

ARI staffs our three Technical Resource Centers with 343 of the highest caliber technicians that can best meet our clients' maintenance needs. Our service technicians are certified by the Institute for Automotive Service Excellence (ASE), averaging eight certifications each.

ARI employs more World Class technicians than anyone else in the industry at 41 and several more are preparing to reach the same level. By mastering the ASE exams, our technicians exercise the skills required to assist drivers quickly and accurately.

Our technicians control your repair costs by scrutinizing estimates according to published price guidelines. ARI staffs ASE technicians at every level: specializing in car, light duty; medium and heavy duty to ensure the technician with the appropriate expertise is handling the repair. When one of your drivers calls our technical resource center, there is a prompt that directs them according to their type of vehicle. This prompt ensures light duty trucks calls are handled by a light duty truck technician.

One of ARI's Partners in Excellence program goals for the technical resource center is to have our technicians maintain a 60/40 service level, meaning answer 60 percent of calls within 40 seconds or less.





4. Mandatory Requirements

4.1 Mandatory Contract Services Requirements and Deliverables: Contract Services must meet or exceed the mandatory requirements listed below.

4.1.1 Maintenance and Repair Services Program General Requirements

4.1.1.1 Vendor must furnish maintenance and repair services program for each vehicle in the fleet.

ARI complies with this requirement. Details on our maintenance and repair services are shown below in our responses to this RFQ.

4.1.1.2 Vendor must deal directly with any maintenance and repair service provider concerning the cost and need for any repair. The pre-approval level for repairs will be provided to the successful vendor.

ARI complies with this requirement and our interaction with our service providers are detailed throughout this RFQ response. ARI will work with you to develop detailed maintenance parameters which will highlight any preapproval limits for repairs.

4.1.1.3 Vendor must furnish a maintenance packet for each vehicle that includes program explanations of emergency repairs, towing and services available. Vendor will be provided a list of current vehicles for which the vendor will supply a maintenance packet within ten working days. Vendor will supply a maintenance packet within 5 working days for new vehicles or for replacement packets.

ARI complies with this requirement. As part of ARI's maintenance management program, each State of West Virginia driver will receive the following with his/her driver packet at the time of vehicle delivery or enrollment in the program:

- Driver introduction letter (customized letter available)
- Coupon book if applicable
- Service / ID card
- ARI/WEX fuel card if State elects to utilize ARI / WEX co-branded card
- Informational pull out regarding how to use the program, communicate with ARI, etc.



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4.1.1.4 Vendor must allow the purchase of tires in emergency situations only. As a general rule, tires will be obtained outside of this contract.

ARI can assist with this process. We can set up detailed parameters which will instruct our technicians to not purchase tires unless in an emergency situation. If the State has separate contracts with any tire manufacturers, ARI can assist with purchasing these tires and billing the state at their contracted pricing. This can result in huge administrative savings for the State as all costs are captured in one system and separate purchases orders are not required. There is a small fee for this service which is not included in this bid but can be discussed at a further date if the State is interested in having ARI manage this process.

For tires that are purchased, ARI negotiates the best price possible for that tire prior to issuing authorization. ARI's ASE-Certified Service Technicians process each tire replacement and verify tread depth readings to determine the necessity of replacement.

4.1.1.5 Vendor must capture vehicle odometer reading at the time service is provided for reporting purposes from the service provider as defined in Section 4.1.3 of this document.

ARI complies with this requirement. This is discussed in more detail within our response.

4.1.2 Data Management

4.1.2.1 All data and reports must be available to be exported into Microsoft Excel 2010.

ARI complies with this requirement. As a current ARI client, The State of West Virginia has access to a multitude of comprehensive features on ARI *insights*, ARI's web-based fleet management system including the ability to manage driver, vehicle and compliance management. This real-time fleet management program allows users to manipulate and manage all fleet data, view the data in text or graphical formats, and download into Excel, text files, and other standard formats. All fleet data is available real-time.

4.1.2.2 Vendor must implement data analytical service management using integrated, browser client-server applications for the following core fleet processes:

ARI *insights* can deliver analytical data for the following core processes identified by the State:



4.1.2.2.1 Fleet utilization management

Through the use of ARI *insights*, each State of West Virginia user can customize their "dashboard," or home page, choosing from numerous displays, individualized menus, a versatile navigation bar, toolbars, and more. Each personalized dashboard can have any combination of menus, toolbars, tabs, zones, reports, key performance indicators (KPIs), alerts, and RSS news feeds. These tools give the ability to manage by exception and receive the information in a timely manner.

ARI's team of vehicle acquisition analysts will work together to create the best possible applications for The State of West Virginia's fleet needs. Our consulting begins with the development of vehicle specifications. ARI analyzes the specialized fleet requirements including operating conditions, annual mileage, maintenance programs and other variables to ensure we choose the best unit to do a particular job and perform at the lowest cost per mile.

4.1.2.2.2 Vehicle specifications

The State of West Virginia is currently not ordering vehicles through ARI nor is that a requested service in this bid. However, would closely with fleet personnel to develop precise vehicle specifications based on your requirements. These specifications will be built so that the State has a vehicle catalog of specification and be retrieved at any time for vehicle ordering or review.

ARI's own secure, web-based vehicle pricing and ordering system, PriceNet, offers a vast array of features that allow fleet personnel to price and build vehicles using up-to-the-minute equipment and invoice/MSRP pricing. You can compare models, breakdown options or option packages, reference government crash test and rollover data and retrieve vehicle recall data in order to assemble standardized specifications that meet your fleet's requirements at the best price.

4.1.2.2.3 Maintenance management

ARI's maintenance management program is designed to maximize your fleet availability, and minimize your maintenance expenses. It is ARI's goal that, through our managed maintenance program, we achieve more savings per vehicle, per month, through post-warranty recovery and negotiated savings than the program costs. Over the past two fiscal years, ARI has saved the State over \$1.75 million in maintenance related savings. We accomplish this through proactive preventive maintenance, an open vendor network structure, pricing transparency, controlling authorizations for unscheduled maintenance, aggressive post warranty



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recovery, utilizing predictive analytics on maintenance trends, and focusing on fleet efficiency.

The State of West Virginia is currently enrolled on ARI's Maintenance Management program and currently has the ability to access detailed, real-time maintenance repair information on-line via ARI *insights*, for every repair performed on each enrolled vehicle. This data includes an itemized breakdown of parts and labor for each purchase order including any technician notes and messages related to the repairs.

Capturing critical vehicle maintenance data enables ARI to identify fleet expense trends for proper cycling and specification of vehicles. Data is available for building custom reports for The State of West Virginia that can be retrieved on demand.

4.1.2.2.4 Fleet cycling (replacement management)

ARI's online Vehicle Replacement Analysis Model (VRAM) develops vehicle replacement guidelines based on lifecycle cost and downtime minimization. Customized for each client, the model takes into consideration many different factors, prioritizes the replacement needs of the entire fleet, and recommends what the expenditure should be to optimize the return on investment.

4.1.2.2.5 Total cost of ownership analytics

ARI *insights* has a Life Cycle Cost Analysis tool that provides ARI clients with all of the necessary information to compare vehicle costs and project operating costs of a vehicle. Results can be saved for future viewing, exported to Excel, and link directly into the vehicle configuration tool without exiting the system. Cost figures can be adjusted through parameters set by the user – geographic location, driving habits, months, miles, fuel price, incentives, and residual and highway versus city driving percentages – to accurately predict fuel costs. This customization provides an accurate prediction of vehicle costs.

The system is based on independent sources of industry data, and includes cost components such as: acquisition price, fleet incentives, depreciation, interest, fuel and maintenance.

4.1.2.2.6 Cost management and cost containment

ARI *insights* gives The State of West Virginia the ability to view and create custom reports using billing detail and summary pages and also display true life of vehicle costs (cost per month and/or cents per mile/km) by expense category. ARI *insights* provides great control for a fleet manager to identify trends, exceptions and expenses and to formulate cost



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reductions and achieve efficiency increases. ARI also currently assists The State of West Virginia with cost management through annual performance reviews.

4.1.2.2.7 Industry best practice modeling

ARI is consistently reviewing opportunities to assist the state in achieving best in class efficiencies. Through our strategic consulting group, quarterly and annual reviews, ARI will continuously bring up opportunities for savings or efficiency enhancements.

One best practice we recently discussed with the state was loading the entire inventory, whether enrolled onto ARI's maintenance management program or not, to be loaded into ARI's system which will allow a consolidated database. If ARI is capturing fuel transactions through a data feed or a co-branded card, ARI can assist the state with a right-sizing of the fleet exercise as well as other agency benchmarking. This is one example of a recent opportunity discussed.

4.1.2.2.8 Mechanism to record and track internal garage maintenance activity

ARI's Garage Management System helps manage technicians, vehicle preventive maintenance schedules, and unscheduled repairs and parts inventories – while simultaneously consolidating all vendor-in/vendor-out data.

4.1.2.3 Vendor must implement narrative and graphical performance reviews for the FMO (consolidated) and state spending units (by spending unit billing code), no less than annually to demonstrate achieved cost savings based upon agreed metrics for the state and spending units as well as identifying other service areas with the potential to achieve increased cost savings or cost containment for the state and spending units

ARI provides quarterly, semi-annual or annual Strategic Performance Reviews at no additional cost. Performance reviews involve your account management team and a thorough review of all aspects of your fleet account. These reviews can segregate information at the billing code level. This includes benchmarking, industry averages, trending and other measurements that identify fixed and variable expense reduction opportunities for establishing best-in-class practices and procedures:

- Time savings associated with vehicle acquisition
- Best practices cycling history



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- Vehicle remarketing benchmarks
- Maintenance savings resulting from post-warranty recovery and repair negotiations
- Savings achieved by unleaded vs. premium fuel purchases
- Recommendations for implementing best practices and why

ARI conducted The State of West Virginia's most recent Strategic Performance Review on January 29, 2013. During this review we identified a partnership savings of \$1,751,967 over the past two years in controlled authorization, purchase order savings and national account vendor usage.

4.1.2.4 Vendor must capture, integrate, and provide National Highway Transportation Safety Administration safety data and vehicle recall information to driver and spending unit fleet coordinator using a browser client-server application.

Authorized fleet personnel can customize their ARI *insights* "dashboard" to view the following recall-related Key Performance Indicators or have it communicated directly to them:

- Open Recalls – Displays your fleet's open recall status and age of recall.
- Open Recalls By Make - Displays your fleet's open recalls by make of vehicles.

Recall alerts are viewable through ARI *insights*. However, ARI also offers an internal recall notification process that supplements the existing manufacturer recall process. This service is available for Ford, Chrysler and General Motors vehicles purchased through ARI. This service is comprised of three components:

The first is an email reminder pushed directly to the driver, (assuming we have a driver email on file) indicating that there is an open recall on the vehicle, and asking the driver to take the vehicle to the dealer for resolution. These reminders will continue on a monthly basis until the manufacturer closes the recall.

The second component is the tracking mechanism built into ARI's Intellifleet system, which will mark the vehicle with an "open recall" flag. Whenever a technician is speaking with a driver, the flag will remind the representative to verbally let the driver know that there is an open recall on their vehicle, and ask that the driver take the vehicle to a dealer for resolution. Additionally, when the ARI technician is speaking directly with an OEM dealer, he/she will confirm that the recall is being performed.

The third component is the reporting capability built into ARI's data warehouse. The State of West Virginia can be provided with reports for their entire fleet (or filtered by defined criteria) indicating which vehicles in their fleet have an open recall.



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4.1.2.5 Vendor must implement a payment mechanism for preventive maintenance such as coupon, virtual coupon, limited value service card, or browser client-server application that does not require pre-authorization by a driver prior to use.

ARI issues customized preventive maintenance schedules and easy-to-use coupons to The State of West Virginia's drivers that meet both the requirements of The State and the vehicle manufacturer. Drivers can coordinate maintenance directly with a repair facility, and can only request the services printed on each coupon. ARI's network of National Account vendors and independent repair facilities accept these coupons as purchase orders, expediting the process by eliminating pre-authorization from your staff and not burdening drivers with out-of-pocket expenses. Exception reporting identifies outstanding PM work, and email notifications remind drivers when scheduled preventive maintenance is due.

ARI also offers a service card for use at all participating vendors for the purchase of ancillary maintenance items such as windshield wiper fluid, extra oil, etc. The limits on this card can be set by The State of West Virginia.

4.1.2.6 Vendor must implement a preventive maintenance management to establish parameters including time, calendar, odometer, power take off, or operating hours.

ARI's maintenance management parameters can be tailored to meet the requirements of this objective. These parameters are flexible by each agency's requirements. ARI will continue to work with The State of West Virginia in developing customized parameters that meet all of your needs.

Inside the enhancements to our Intellifleet system outlined in our Executive Summary above, ARI will soon be able to track PM schedules based on vehicle fuel burn. Fuel burn will be the most accurate way to gauge when a PM is due. This will allow the State and ARI the opportunity to manage PM compliance through mileage, hours and fuel burn. If not utilizing ARI's co-branded WEX card, we would need to integrate the data from WEX directly.

4.1.2.7 Vendor must implement a browser client-service preventive maintenance application that is driver-centric and can produce maintenance reminders using email or SMS and notify spending unit fleet coordinators when established thresholds are pending or have been exceeded.

ARI sends email notifications to remind drivers when scheduled preventive maintenance is due. These reminders are triggered automatically based on odometer readings or intervals. In addition, ARI's Exception reporting identifies outstanding PM work.



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The State of West Virginia spending unit fleet coordinators can set their customized dashboard in ARI insights to receive alerts to display vehicles with overdue maintenance.

4.1.2.8 Vendor must implement a browser client-server maintenance management and repair application for light-duty vehicles that provides real-time, line item visibility of maintenance and repair outcomes (invoices, work orders, or work requests), including narrative comments (if applicable) which contain documented savings in reduced labor rate charges, reduced parts charges, reduced core charges, and any warranty recovery savings. Metrics will be agreed upon with the successful vendor.

The State of West Virginia can access detailed, real-time maintenance repair information on-line via ARI insights, for every repair performed on each enrolled vehicle.

This data includes an itemized breakdown of parts and labor for each purchase order including any technician notes and messages related to the repairs. Any negotiated savings as well as warranty recovery activity is highlighted as well.

4.1.2.9 Vendor must implement repair service management based on established thresholds including time, calendar, odometer, power take off, operating hours, estimated cost.

ARI will continue to work with The State of West Virginia to set up customized repair thresholds specific to The State of West Virginia's requirements and the requirements of the vehicle manufacturers.

4.1.2.10 Vendor must implement management of third-party logistics Vendors (3PL) includes:

ARI will work closely with The State of West Virginia to manage its third-party logistics vendors. ARI has the unique ability to deliver unsurpassed connectivity for The State of West Virginia's fleet maintenance system needs. Our exclusive approach provides you with a consolidated view of your divergent fleet data through ARI *insights*, fully integrating provider systems and data, interfacing with The State of West Virginia's enterprise resource planning (ERP) systems, and third party providers maintaining a central database for all fleet information. ARI is in the process of engaging with these vendors today.



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4.1.2.10.1 3PL provides the lowest repair cost to the state based off The Mechanics Flat Labor Rate Guide or an agreed upon equivalent.

ARI's ultimate goal is to secure the lowest repair prices for The State of West Virginia. ARI's ASE certified technicians control authorization by scrutinizing all repairs requested by the servicing vendor, verifying time to complete the repairs, parts pricing, and labor rates as compared to published national guidelines. The technicians will also examine The State of West Virginia's specific program parameters and vehicle history to verify the appropriateness of the repair.

4.1.2.10.2 3PL executes real-time odometer entry and accounts receivable processing.

ARI receives real-time odometer entry readings when a vehicle is taken to a repair facility as part of the repair process. ARI *insights* provides algorithms to ensure accurate odometer readings. ARI pays the vendors electronically within two to three business days through its Intellipay payment process.

4.1.2.10.3 3PL is within reasonable proximity to vehicle location – five (5) miles.

With over 1,300 vendors in the State, ARI will work to find the closest possible repair vendor.

4.1.2.10.4 3PL uses Original Equipment Manufacturer (OEM) or equivalent, warrantied parts during vehicle warranty period. Post OEM warranty coverage period, the 3PL uses OEM or equivalent after-market parts whichever is most cost-effective.

ARI ensures all vendors use OEM or equivalent after-market parts.

4.1.2.10.5 3PL recovery of one hundred (100%) percent of warrantied part's value through part replacement by the 3PL or reimbursement by the part's manufacturer.

ARI ensures all vendors use OEM or equivalent after-market parts.



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- 4.1.2.10.6 3PL payment credit or reimbursement of one hundred (100%) percent of the manufacturer part's warranty value with "Warranty recovery" clearly identified on spending unit invoice or reimbursement check detail if payment is made by check.**

In the case where a vehicle is taken to the dealer for warranty ARI is typically not notified by the dealer since no payment is required. In the case where a vehicle goes into a vendor that is not able to perform warranty items, in the course of our normal purchase order review with the vendor, ARI will ensure the State is not paying out of pocket for items covered under manufacturer warranty. In the case where a vendor were to attempt to charge for an item that is covered under manufacturer or extended warranty, ARI will deny the repair and instruct the driver to take the vehicle to a dealer to have the service performed. Where there is a repair on a component that has recently fallen outside the manufacturer warranty, ARI will pay for the item and then attempt to recover the monies directly from the manufacturer. Any monies recovered, ARI will pass 100% back to the State.

- 4.1.2.11 Vendor must implement and manage a maintenance management contact center available to drivers and fleet coordinators 24/7/365.**

ARI is the only fleet management company that staffs three Technical Resource Centers – in Maple Shade, New Jersey, Houston, Texas and Grapevine, Texas – operating 24/7/365 and staffed with ASE-certified technicians who interact with fleet personnel and drivers for maintenance, breakdown and claims issues and with vendors to negotiate pricing and provide approvals.

Our state-of-the-art call center system integrates the three centers seamlessly, fielding calls according to the next available service technician regardless of his/her location.

- 4.1.2.12 Vendor must implement and manage a 24-hour roadside assistance program with the following core functions:**

- 4.1.2.12.1 Toll-free assistance line.**

Through ARI's Roadside Assistance Program, your drivers can call ARI's toll free technical resource center 24/7 to get onsite assistance for concerns such as flat tires, dead batteries, lock-outs, mechanical breakdowns, and so on. ARI's ASE certified technicians will identify your driver's exact location, and then dispatch an appropriate vendor to provide assistance.



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4.1.2.12.2 Emergency towing service.

Our technicians take care to confirm that the vendor has the capability to perform the needed service for the type of vehicle involved. A tow vendor that can handle a sedan or light duty pickup truck may not have the right equipment to tow a Class 8 tractor. The steps we take to match vendor capability to the specific type of vehicle in need of assistance helps to minimize vehicle downtime.

ARI also confirms that the vendor will be able to respond in an acceptable timeframe. This is especially important during weather-related events, when an entire area may be inundated with requests for roadside assistance. We use a closed-loop system to ensure that roadside assistance arrived as promised.

4.1.2.12.3 Tire-changing service.

Yes. ARI's Roadside Assistance program includes a tire changing service.

4.1.2.12.4 Battery jump service.

Yes. ARI's program also includes a service to jump your existing battery or tow the vehicle to the nearest repair shop for the installation.

4.1.2.12.5 Lockout service.

Yes. ARI's program includes a lockout service for drivers who are locked out of their vehicle.

4.1.2.13 Vendor must implement a browser client-server application for agency garage management, reporting and tracking.

ARI provides an all-inclusive management solution for fleets that utilize outside vendors and operate internal maintenance facilities. ARI's Garage Management System (GMS) helps manage technicians, vehicle preventive maintenance (PM) schedules, and unscheduled repairs and parts inventories – while simultaneously consolidating all vendor-in/vendor-out data. ARI has three different levels of offering: a standard purchase order entry system, a garage management software package that allows PO entry, parts inventory and other typical garage management software capabilities and then a completely robust garage management software system.





4.1.2.14 Vendor must implement email notification to user group (driver and supervisor) and garage supervisor on vehicle status.

ARI's Garage Management tool has this capability.

4.1.2.15 Vendor must implement garage management reporting of garage performance externally (3PL sublet) and internally (in-house) (if applicable).

ARI provides an all-inclusive management solution for fleets that utilize outside vendors and operate internal maintenance facilities. ARI's GMS helps manage technicians, vehicle PM schedules, and unscheduled repairs and parts inventories – while simultaneously consolidating all vendor-in/vendor-out data.

4.1.2.15.1 Fully-burdened labor rate

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.2 Parts turn rate

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.3 Parts inventory

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.4 Staffing levels

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.5 Labor hours

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.



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4.1.2.15.6 Work requests missing parts

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.7 Work request history

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.8 Controlled authorization savings

This functionality is supported through ARI's vendor-out scenario utilizing ARI's maintenance management programs.

ARI's ASE certified technicians control authorization by scrutinizing all repairs requested by the servicing vendor, verifying time to complete the repairs, parts pricing, and labor rates as compared to published national guidelines. The technicians will also examine The State of West Virginia's specific program parameters and vehicle history to verify the appropriateness of each repair.

4.1.2.19 Vendor must provide, manage, and integrate a browser client-server asset management application with inventory and multi-criteria replacement methodologies, e.g., vehicle age, accrued mileage, life-to-date maintenance costs, predictive maintenance costs by automotive systems, manufacturer, VIN make, and VIN model.

Before a single vehicle is ordered, ARI reviews your current fleet, replacement criteria and schedule, budget, specifications, and usage. ARI analyzes operating conditions, annual mileage, maintenance programs and other variables to ensure that you choose the best unit at the lowest cost per mile. Using our Vehicle Replacement Analysis Model (VRAM), ARI develops replacement guidelines based on life cycle costs and downtime minimization. Additionally, we plan for your purchase/dispositions to coincide with optimum market conditions.

4.1.2.20 Vendor must provide ability to communicate and interface requested information via data feeds to the consolidated ERP Vendor (currently CGI and Agile Assets).

ARI has experience integrating with several commercial ERP systems, including Maximus, PeopleSoft, SAP, Infinium, ProMiles, Business Objects, IBM Enterprise Information Portal (EIP), and Autodata just to mention a few. The size and scope



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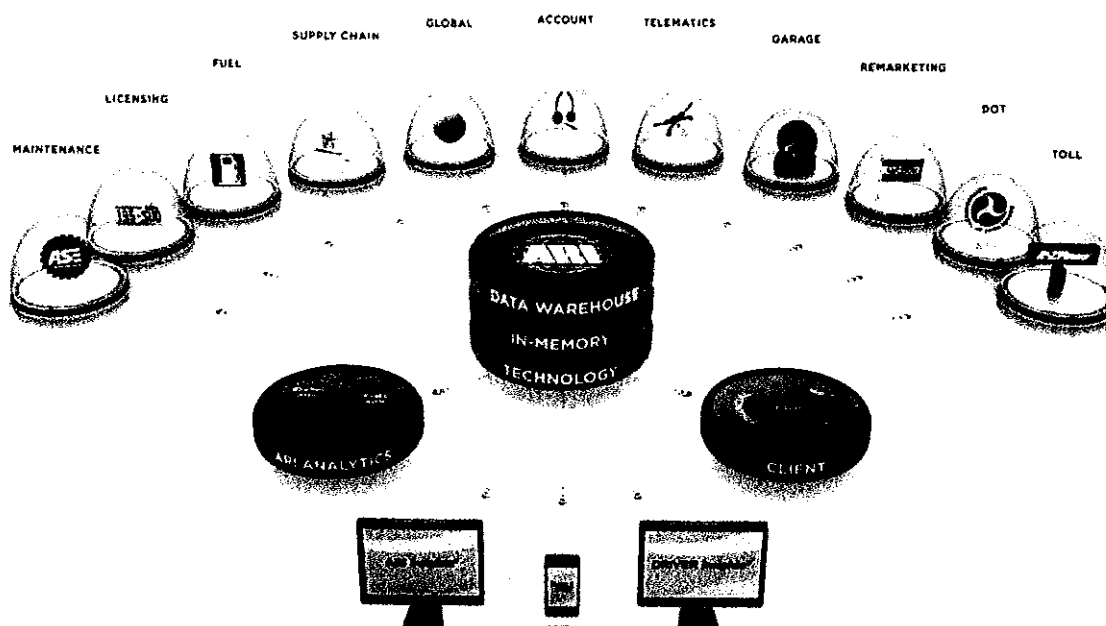
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of each of our integration projects vary. We've also developed custom fleet integration solutions such as real-time integration with Wright Express Portal, Alert Driving, (for driver risk assessment), Black Book, and vehicle remarketing auctions including AutoIMS, and On-Lane. We are also integrated with chassis manufacturers for ordering, status, and invoicing, as well as several upfitters.

We can also work with the State to map our internal account codes to your accounting code structure so that all charges are presented with The State of West Virginia's internal coding. We have dozens of client code fields available to accommodate The State of West Virginia's coding structure, and can also assign specific cost centers based on ATA coding for repairs.

ARI's IT support team is currently in discussion with West Virginia's fleet and IT personnel to identify and prioritize the different interface needs, agree on file layouts, write the interface, and test. The ARI team consists of experienced SAP integrators, and other developers experienced with systems integration.



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4.1.3 Reporting

4.1.3.1 Vendor must distribute standardized reports (i.e.: maintenance by VIN, by 3PL, by vehicle make/model, by maintenance type, by department, etc.) to designated agencies as determined necessary without additional charges. Additionally, the vendor will develop specialized reports unique to each agency's needs.

ARI complies with this requirement.

ARI's technical reporting team will outline the required information and format, and then build the report through Business Objects Enterprise Server. We will then publish the reports to ARI *insights*, where agencies can view, save, or print them.

We can refresh these reports on demand and can reschedule them to run daily, weekly, or monthly in Excel, PDF, or CSV formats. ARI can also email the reports directly to multiple people, even if they do not have access to ARI *insights*.

Furthermore, your fleet personnel can customize their personal ARI *insights* dashboard to include a KPI for unread reports. Additionally, ARI offers a variety of training options to assist the agencies in learning the ARI system.

4.1.3.2 Vendor must provide a quarterly report to FMO detailing savings recovered by efforts of the Vendor.

ARI complies with this requirement.

4.1.3.3 Vendor must ensure that all reports are mathematically correct. Rounding of individual costs is not acceptable.

ARI complies with this requirement.

4.1.3.4 Vendor must provide on-line computer access (viewing only) to vehicle maintenance and/or repair expense information. Estimated number of view-only users is approximately 100.

ARI complies with this requirement.

ARI will provide the State of West Virginia users access to ARI *insights*. This tool allows fleet personnel to reach, retrieve and manipulate the State's entire range of fleet data in real time. The flexibility to view data online in text or graphical formats with the ability to export to Excel is unsurpassed in the industry.



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The information available through ARI *insights* includes but is not limited to: maintenance and fuel history; fleet drivers and locations; vehicle information and odometer readings; billing and invoices; registration tracking and licensing; new vehicle ordering and status; accident reports and photos; fuel costs and transactions; replacement scheduling; motor vehicle records; and remarketing status and results.

The State of West Virginia personnel can authorize use of the system by others in the organization and tightly control what users can see and do within the system. Within defined parameters, each user can customize the "dashboard," or home page, choosing from numerous displays, individualized menus, a versatile navigation bar, toolbars, and more. Each personalized dashboard can have any combination of menus, toolbars, tabs, zones, reports, key performance indicators, alerts, and RSS news feeds.

4.1.3.5 Vendor must provide a reporting tool for in-house maintenance and repair facilities to report maintenance and repair issues for record keeping purposes.

ARI complies with this requirement. ARI's *insights* program merges a client's purchase order entries, outside repairs and in-house maintenance repairs to provide a single site to manage a complete vehicle maintenance history that has been performed.

4.1.3.6 Vendor must furnish recall notification and other warranty / service information received from any source.

Recall alerts are viewable through ARI *insights*. However, ARI also offers an internal recall notification process that supplements the existing manufacturer recall process. This service is available for Ford, Chrysler and General Motors vehicles purchased through ARI. This service is comprised of three components:

The first is an email reminder pushed directly to the driver, (assuming we have a driver email on file) indicating that there is an open recall on the vehicle, and asking the driver to take the vehicle to the dealer for resolution. These reminders will continue on a monthly basis until the manufacturer closes the recall.

The second component is the tracking mechanism built into ARI's Intellifleet system, which will mark the vehicle with an "open recall" flag. Whenever a technician is speaking with a driver, the flag will remind the representative to verbally let the driver know that there is an open recall on their vehicle, and ask that the driver take the vehicle to a dealer for resolution. Additionally, when the ARI technician is speaking directly with an OEM dealer, he/she will confirm that the recall is being performed.

The third component is the reporting capability built into ARI's data warehouse. The State of West Virginia can be provided with reports for their entire fleet (or



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filtered by defined criteria) indicating which vehicles in their fleet have an open recall.

4.1.3.7 Vendor must create and maintain all maintenance and repair records for each vehicle and screen all maintenance and repair requests. The FMO requires that the vendor keep automated maintenance and repair records for as long as the vehicle is enrolled in the vendor's maintenance and repair program. The vendor must also keep records and supporting documentation that may be needed to satisfy any and all manufacturer's claims or other disputed maintenance and repair issues. Records shall be surrendered to the State upon the end of each vehicle's life and upon contract termination.

ARI complies with this requirement. ARI captures this information through our Intellifleet system.

Intellifleet is ARI's server-based maintenance management system that provides our service and claims technicians with the ability to manage costs, provides administrative relief to our clients, increases productivity, and offers extensive reporting capabilities.

ARI codes client-specific parameters, vehicle maintenance history, dollar approval limits, vendor and parts exceptions, and component warranty information into the system. When any of these pre-established thresholds are breached, Intellifleet interactively warns the ARI technician via a "pop-up" window.

Some value-added benefits include increased reporting capabilities through the utilization of eight-digit ATA coding, quicker vendor search engines and increased vendor rating capabilities. It is the ATA coding that allows ARI's service technicians to recognize repeat component failures, identify increased spending trends and prepare cost per vehicle analysis, all to help a fleet run at maximum efficiency.

4.1.3.8 Vendor must provide documentation showing a reduction in the percentage of non-exempted vehicles being driven less than 1,100 miles monthly.

As part of the annual review, we show the vehicles that are driven less than 500 miles, 500-1000, 1000-2000, and 2000-3000. By adding a fuel data feed through our fuel program or capturing data during routine maintenance helps to generate more accurate information.



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4.1.4 Management / Administration

4.1.4.1 Vendor must send a minimum of one key person as identified by FMO at no additional cost to visit designed agency representatives upon request. No more than four (4) half day visits will be required during contract period.

ARI complies with this requirement. ARI currently has a dedicated State and Government Manager assigned to the State of West Virginia's account with additional resources to support the account.

4.1.4.2 The successful vendor must provide FMO with a list of principal service personnel. List shall include contact names, phone numbers, and email addresses.

ARI complies with this requirement.

The persons dedicated to the State of West Virginia's account will be:

- Craig Jones, Senior District Manager;
 - (513) 241-2573, cjones@arifleet.com
- Cheryl Graham, Business Development Manager, Government;
 - (856) 727-6962, cgraham@arifleet.com
- Suzanne Cravens, Senior Account Development Representative;
 - (704) 556-2630, scravens@arifleet.com
- Trish Bland, Client Support Services Representative
 - (856) 787-6576, pbland@arifleet.com

4.1.4.3 Vendor must participate, at FMO's request, at seminars to educate drivers/Fleet customers on program requirements in West Virginia at no additional cost to the state. FMO will notify vendor of request a minimum of two weeks prior to engagement. A maximum of two (2) seminars will be required yearly. Vendor must provide training as required for full understanding and utilization of reports and analysis of operating costs and cost trends at no additional cost to the agency.

ARI will comply with this requirement. ARI has supported the State of West Virginia with these in the past and will continue to do so if retained.



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4.1.4.4 Vendor must provide capability for FMO and designee to interact online with vendor for ordering, inquiry, information, updating and reporting purposes. The estimated number of interactive users is approximately ten (10).

ARI complies with this requirement.

4.1.4.5 The vendor must provide information concerning changes in industry practices, policies, regulations, and/or other related information to FMO. For example: periodic publications for review by the FMO concerning 1) suggestions for prompt and effective maintenance; and 2): national fleet information from manufacturers, consultants, etc.

ARI complies with this requirement.

4.1.4.6 Vendor must allow FMO to periodically visit the vendor to verify / review the program in operation.

ARI complies with this requirement.

4.1.4.7 Vendor must provide a number, list of names and locations of maintenance and repair service providers in West Virginia, Virginia, Kentucky, Ohio, Maryland, and Pennsylvania. This list should be provided with the bid.

ARI utilizes an open vendor network, rather than a preferred network used by most fleet management companies. An open vendor network allows the State of West Virginia to utilize the vendors of their choice, without restriction. Currently, our network consists of over 38,000 National Account shops, and more than 52,000 independent vendors. ARI considers our vendor list to be proprietary and with government RFQs being open to the public, we cannot provide the entire list. We would be happy to disclose this list at a later date with the State. Below is a summary of ARI's network in the following states:

State	National Accounts	Independent Vendors
West Virginia	198	1,176
Virginia	1,041	2,418
Kentucky	540	1,693
Ohio	1,605	3,115
Maryland	829	1,759
Pennsylvania	1,661	4,536
Total	5,874	14,697



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The State of West Virginia can add their preferred facilities to our network at any time.

4.1.4.8 Vendor must have a toll-free line which includes ASE Certified Technicians, 365 days a year, 7 days a week, 24 hours a day to monitor all maintenance and repair requests. If applicable, nights and weekends may be reserved for limited emergency services and handled by the vendor's subcontractor. The primary vendor, however, retains all contractual responsibilities.

State of West Virginia drivers currently dial 1-800-CAR-CARE for required maintenance and repair assistance to speak with the first available ASE certified technician at one of ARI's three Technical Resource Centers located in Maple Shade, New Jersey; Grapevine, Texas, and Houston, Texas.

4.1.5 Invoicing

4.1.5.1 Vendor must have the ability to invoice individual agencies as designated by the FMO or accept P-card payment. Agency must designate payment on agency release order. The vendor will pay directly to maintenance and repair service providers all charges, except any assessed taxes, made by drivers and invoice the designated agency on a monthly basis.

ARI cannot accept P-card as payment.

4.1.5.2 Vendor must ensure that any assessed taxes are not passed along to the FMO or its designated agency for payment.

ARI complies with this requirement.

ARI currently maintains tax exemption certificates for the State of West Virginia and has edits in place to ensure that no taxes are billed.

4.1.5.3 Vendor must reimburse the State of West Virginia for all discounts, rebates, and warranty recovery.

ARI has indicated on pricing summary page the National Account rebates we will return to the State as well as 100% of discounts negotiated specifically for the State of West Virginia by either the Vendor or State and 100% of warranty recovery.

4.1.5.4 Vendor must monitor warranty repairs and seek automobile manufacturer reimbursement. These charges are not to be passed along to the FMO or its designee.



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ARI complies with this requirement.

4.1.6 Qualifications and Experience

4.1.6.1 Vendor must provide three jobs of similar size and scope to demonstrate recent experience providing and implementing fleet management programs and services for governmental entities.

In the public sector, ARI customizes solutions for the specialized requirements of over 15 federal, state and municipal entities representing more than 75,000 vehicles. In addition to the State of West Virginia, in the table below, we have illustrated a sampling of the clients we have worked with in the past five years with requirements similar to those of The State of West Virginia:

Government Entity	Number of Vehicles	Programs
State of Wisconsin	5,400 vehicles	Maintenance Management, Roadside Assistance and Accident Management
State of Minnesota	2,350 vehicles	Maintenance Management and Roadside Assistance
City of New York	6,900 vehicles	Maintenance Management and Roadside Assistance
State of New York	16,200 vehicles	Maintenance Management, Accident Management, Roadside Assistance and Leasing
State of Utah	5,400 vehicles	Maintenance Management and Roadside Assistance
State of New Mexico	450 vehicles	Leasing
State of Georgia	22,800 vehicles	Maintenance Management, Roadside Assistance and Data Integration



4.1.7 Optional Services

4.1.7.1 Vendor should provide a means for identifying vehicles as "Official State Vehicles" offering a toll-free telephone number for concerned citizens to report situations. Such reports will be forwarded to the Fleet Management Office and/or designee.

Yes, ARI can offer a "How's My Driving Program." There is an alert in ARI *insights* for this. The program itself can be setup so a notice goes out automatically to the designated state personnel as well.

4.1.7.2 Vendor should provide a Driver's Safety Education Program by 1) supplying driver safety handbooks to all new and existing drivers or 2) conducting driver safety education classes and/or instructional media. Vendors may use electronic media to fulfill this requirement.

ARI complies with this requirement.

Partnered with AlertDriving.com, a pioneering leader in global web-based risk management, ARI's Driver Risk Assessment Program helps to reduce collisions, injuries, costs and liability exposure. The State of West Virginia can use the program's web-based components as a complete system or individually on a standalone basis, depending on your specific needs.

The tools provided identify, target and track high-risk drivers:

- One universal scoring system combines various driver assessment inputs such as MVRs, collision incidents, driver monitoring events, etc., in order to arrive at an overall risk assessment for each fleet driver
- A sophisticated mapping system assigns training that matches the nature of a driver's violation(s) or incident(s)
- Administrative tracking and reporting corresponds automatically with trainees via email to ensure they complete their training requirements by the specified due date.

4.1.7.3 Vendor should implement a browser client-server application for agency garage management and parts inventory management.

ARI complies with this requirement.

For in-stock inventory, the State of West Virginia can set up your entire inventory by manufacturer part numbers, customer part numbers, bar codes, vendor



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names, ATA codes, and more. As parts are allocated to work orders, GMS will automatically decrement them from your inventory levels.

The State of West Virginia can use bar coding and the order manager feature in GMS to replenish inventories though just a few clicks. The only manual portion of the process is putting the newly received parts on the shelves.

4.1.7.4 Vendor should provide a browser client-server VIN decoder application to the FMO. The information should at a minimum define: make, model, year.

ARI's VIN decoder catalogs cars, light-, medium- and heavy-duty trucks and trailers. Inventory reports detail the make and model information in a uniform and consistent manner, which was a tedious and time-consuming process prior to this technology. All vehicles loaded into ARI's database are VIN decoded to confirm that accurate year, make, model, and GVW are loaded into the system.

ARI *insights* system can display vehicles VIN decoded or not decoded.

4.1.7.5 The vendor should provide an initial report detailing the fleet's carbon footprint and track the fleet's carbon footprint yearly.

ARI can comply with this requirement providing the State of West Virginia is using our co-branded WEX card or we have a data feed established to receive the fuel information.

ARI's EnviroFleet consultants profile and benchmark a fleet's carbon footprint, determine the link between fuel use and fleet practices, and interpret the impact of CO2 and other chemicals the fleet releases into the air. Then through Best Practice tools and the latest technology, we deliver strategies for vehicle right-sizing, spec'ing and selecting vehicles by work application, telematics-based route efficiency planning, and emission reductions and savings tracking. Through this process, ARI helps fleet managers put vehicles on the road that are both environmentally and fiscally responsible. ARI continuously engages with professional and governmental organizations such as the Clean Cities Coalition, EPA's SmartWay Transport Partnership, and CALSTART to help the EnviroFleet program stay current on trends, legislation and technology.

4.1.7.6 Vendor should integrate and manage the state's fuel-only credit card program; and provide a browser client-server application to ensure fuel expenditures are appropriate; vehicle performance trends are satisfactory; and Vendor-to-agency monthly billings are accurate.

ARI complies with this requirement.



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Fuel card transaction detail and exception information is available 24/7/365 via ARI *insights*. Purchase alerts from ARI can help you keep a close watch on your purchases. ARI/WEX will deliver an email notification when a card has violated a parameter you set on your account, allowing you to identify potential problems or misuse quickly.

ARI's monthly standard fleet management reports examine individual transactions and overall fleet purchases: ARI's key performance indicators and alerts for fuel include:

KPI / Alert	Description	Category
Average MPG	Average miles per gallon for active vehicles grouped by asset type or fleet-view field	KPI
Yearly Fleet Carbon Footprint	Shows the volume of Greenhouse Gases (expressed in tons) emitted as CO2 through the use of diesel and gasoline	KPI
Yearly Fuel Cost	Compare fuel costs in previous two years with year-to-date costs. Yearly and monthly summary data will be derived from all transactions. Only fuel transactions matching a current vehicle will be listed.	KPI
Yearly Fuel Usage	Compare fuel usage in previous two years with YTD usage. Yearly and monthly summary data will be derived from all transactions. Only fuel transactions matching a current vehicle will be listed.	KPI
Fuel Use Projection	Yearly and YTD fuel usage with current year projection	KPI
Fuel Cost and Transaction Exceptions	Show vehicles by vehicle type whose daily fuel cost or transactions is equal to or exceeds the specified amount received within the selected timeframe	Alert
Tank Capacity Violations	Show vehicles with fuel transactions processed within the last specified number of days that purchased more fuel than tank capacity.	Alert
Inactive Fuel Cards	List vehicles with active fuel cards that have not been used in the specified number of days	Alert
Inactive Fuel Cards	List vehicles with active fuel cards that	Alert



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	have not been used in specified number of days	
Non Fuel Transactions	Shows vehicles' non-fuel transactions process within the last specified number of days	Alert
Miles Per Gallon	Miles Per Gallon based on the Asset Type	Alert
Suspect Fuel Transactions	List consecutive fuel card transactions exceeding specified distance/time criteria (e.g. two transactions occurring in zip codes over 80 miles apart within the same hour) or where the same PIN and card # is used in multiple vehicles.	Alert
Unused PINs	List active (non-cancelled) WEX fuel card PINs that haven't been used in specified number of months. Note: alert count is limited to 1,000 PINs, but all will be shown in the details listing	Alert
Tank Refill Exceptions	Show vehicles (car, truck, or both) that had 3 or more recent fuel transactions where the units purchased was at or below a specified percent of the tank's capacity	Alert

Fuel Purchase Summary

All fuel purchases for each of the past twelve months grouped by fuel type: unleaded, super-unleaded, etc. Premium fuel expenditures by percentage are highlighted in red.

- Fuel Exception – Distributed via email.
- X or more gallons purchased in any single day within the past thirty days.
- X or more transactions in any single day within the past thirty days.
- All premium fuel purchased within the past thirty days.

4.1.7.7 Vendor should provide, manage, and integrate alternative fuels strategic consulting services for alternative fuel vehicle selector list development; and alternative fueling infrastructure planning.

Through best-practices tools and the latest technology, we can deliver strategies for vehicle right-sizing, spec'ing/selecting vehicles by work application,



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telematics-based route efficiency planning, and tracking emission reductions and savings. All of which helps fleet managers put vehicles on the road that are both environmentally- and fiscally-responsible.

ARI leads the industry in offering the broadest emissions reduction solution for car, truck and equipment fleets of all sizes and levels of complexity. We are uniquely qualified to help fleets with trucks and diesel vehicles lessen the environmental impact of nitrogen oxides (NOx) and particulate as well as carbon emissions.

ARI's sustainable transportation consulting services are labeled with our own EnviroFleet designation. Our EnviroFleet consulting team works with our clients to help them implement practices to improve efficiency, introduce sustainable alternative fuels, reduce their fuel consumption, and ultimately reduce their fleet's carbon footprint.

4.1.7.8 Vendor shall implement a fringe program that meets Internal Revenue Service substantiation requirements as required by the Internal Revenue Service (IRS) Publication 15-B, Employer's Tax Guide to Fringe Benefits, published under U.S. Code Title 26.

ARI's Fringe Program meets all Internal Revenue Service requirements mentioned above.

Our program offers flexible report calculations including the Annual Lease Value (ALV) method (IRS approved), fuel charges, employee payments (client-provided or ARI-calculated) and optional penalties for non-compliant drivers. ARI has a department fully dedicated to ensuring clients are up-to-date and compliant with IRS guidelines.

Standard reports include the Imputed income and Non-Compliant Driver Reports, which are provided quarterly. Custom reports are available upon request. At year-end, ARI provides an electronic file for payroll processing.

4.1.7.9 Vendor shall provide trip logging and calculation functionality for official use, personal use, employee-owned vehicle mileage reimbursement, and rental car use.

As an enhancement to ARI's mileage reporting program, our Daily Trip Log System enables drivers to list all trips in an electronic log throughout the month. At month's end, The State of West Virginia drivers submit the log and it writes the fringe record. These logs are available on ARI *insights*, by driver for auditing purposes. This log service is available at an additional cost to the base mileage reporting program fee.



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4.1.7.10 Vendor shall implement a browser client-server toll, citation, and violation reporting application which is integrated with maintenance, repair service, and garage management applications.

ARI offers multi-tiered programs to address both parking and toll violations. Under our toll management program we offer a toll avoidance program as well as a full toll management program where ARI will provide the electronic transponders and set up a billing account with the tolling authority.

ARI sends an email notification to the driver upon ARI's receipt of a violation. For those drivers without an email address in our system, we send the original violation to the driver. The State of West Virginia fleet personnel will be able to view digital copies of all violations, as well as alerts and key performance indicators, through ARI *insights*, including:

- Drivers that have paid violations through the collections website
- Drivers that are disputing violations through the collections website
- Violations that are pending reimbursement from the driver
- Violations where there is no available or valid e-mail address in our system
- Drivers that are disputing violations through the collections website
- Violations distribution by type of infraction (i.e. Red Light, Speeding, Parking, Toll, etc.)
- Violations distribution by specific state
- Violations distribution by Status (Paid, Processed, Credited, Voided)
- Violations billed on invoice (thresholds can be set by dollar amount, violation type, date range, etc.)

We can also supply an optional monthly report showing monthly and year-to-date activity by driver and division.

5. Contract Award

5.1 Contract Award: The Contract is intended to provide Agency with a purchase price for the Contract Services. The Contract shall be awarded to the Vendor that provides the Contract Services meeting the required specifications for the lowest overall total cost as shown on the Pricing Pages.

ARI complies with this requirement.



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- 5.2 Pricing Page:** Vendor should complete the Pricing Page by listing a Unit price for the Mandatory Services and prices for the Optional Services they are capable of providing. Optional Services may be selected at the Agency's discretion during the life of the contract and shall be billed at the prices provided in the attached pricing page. Award shall be based on the total of the Mandatory Services.

Vendor should multiply the Unit Price by the Estimated Quantity to arrive at the Extended Price for each line item requested. Additionally, the vendor should provide a summation of the extended prices for each section as indicated on the Pricing Page. Vendor should complete the Pricing Page in full as failure to complete the Pricing Page in its entirety may result in Vendor's bid being disqualified. An electronic version of the Pricing Page is available to registered vendors by accessing the WV Purchasing Bulletin at <http://www.state.wv.us/admin/purchase/newbul.htm> or by contacting Krista S. Ferrell at krista.sferrell@wv.gov.

Notwithstanding the foregoing, the Purchasing Division may correct errors as it deems appropriate. Vendor should type or electronically enter the information into the Pricing page to prevent errors in the evaluation.

ARI complies with this requirement.

6. Performance

Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.

ARI complies with this requirement.



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7. Payment

Agency shall pay all pass-through monthly maintenance expenses as outlined by FMO using State Agency Bill Codes. FMO will pay for all fixed management expenses associated with the cost of providing mandatory services listed in this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.

ARI complies with this requirement.

8. Travel

Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat or hourly rate listed on Vendor's bid, but such costs will not be paid by the Agency separately.

ARI complies with this requirement.

9. Vendor Default

9.1 The following shall be considered a vendor default under this Contract.

9.1.1 Failure to perform Contract Services in accordance with the requirements contained herein.

ARI complies with this requirement.

9.1.2 Failure to comply with other specifications and requirements contained herein.

ARI complies with this requirement.

9.1.3 Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

ARI complies with this requirement.

9.1.4 Failure to remedy deficient performance upon request.

ARI complies with this requirement.



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9.2 The following remedies shall be available to Agency upon default.

9.2.1 Cancellation of the Contract

ARI complies with this requirement.

9.2.2 Cancellation of one or more release orders issued under this Contract.

ARI complies with this requirement.

9.2.3 Any other remedies available in law or equity.

ARI complies with this requirement.

10. Miscellaneous

10.1 Contract Manager: during its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

Contract Manager: Craig Jones, Senior District Sales Manager

Telephone Number: (513) 241-2573

Fax Number: (856) 533-9122

Email Address: cjones@arifleet.com



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RFQ Exceptions

RFQ FLT13997 Specification Deviations & Clarifications

We would like to clarify the following items:

Section 17

"Payment: Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or service. The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled 'Invoice To.'"

Payment terms will remain Net 30 as our current agreement is today.

Section 44

"The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this Contract unless the box below is checked."

☒ Vendor is not required to accept the State of West Virginia's Purchasing Card as payment for all goods and services.

ARI cannot accept a P-card for payment.

Section 46

***Indemnification:** The Vendor agrees to indemnify, defend and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contract in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.*

Subcontractors are not meant to include repair/maintenance vendors or other third parties providing services under this Agreement. Need to remove reference to "person or firm" in the third line.



CERTIFICATION AND SIGNATURE PAGE

By signing below, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid or proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

ARI

(Company)

(Authorized Signature)

Anthony Foursha, Vice President, Sales
(Representative Name, Title)

(856) 439-7463 (856) 533-9122
(Phone Number) (Fax Number)

May 13, 2013
(Date)

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: FLT13997

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

(Check the box next to each addendum received)

<input checked="" type="checkbox"/> Addendum No. 1	<input type="checkbox"/> Addendum No. 6
<input type="checkbox"/> Addendum No. 2	<input type="checkbox"/> Addendum No. 7
<input type="checkbox"/> Addendum No. 3	<input type="checkbox"/> Addendum No. 8
<input type="checkbox"/> Addendum No. 4	<input type="checkbox"/> Addendum No. 9
<input type="checkbox"/> Addendum No. 5	<input type="checkbox"/> Addendum No. 10

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

ARI

Company

Authorized Signature

May 13, 2013

Date

NOTE: This addendum acknowledgment should be submitted with the bid to expedite document processing.
 Revised 6/8/2012



EARL RAY TOMBLIN
GOVERNOR

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON STREET, EAST
P.O. BOX 50130
CHARLESTON, WEST VIRGINIA 25305-0130

ROSS TAYLOR
CABINET SECRETARY
DAVID TINCHER
DIRECTOR

URGENT RESPONSE REQUESTED

July 15, 2013

Mr. Craig Jones
Automotive Resources International
312 Walnut Street, Suite 1540
Cincinnati, OH 45202

RE: SWC FLT13997

Dear Mr. Jones,

Please provide the below listed information in regards to your bid, sign, date, and return to the West Virginia Purchasing Division at 1-304-558-4115 (fax) or email to Krista.s.ferrell@wv.gov. This information is required in order to fully evaluate your bid. Please submit the requested information within 24 hours (1 Business Day) of receipt of this letter. Failure to respond within this time frame may result in the disqualification of your bid.

Thank you for your direct attention to this matter.

- 1.) The bid submitted by ARI contained two different pricing structures for Vehicle Maintenance Services. The State is intends to accept only the below referenced portions of this response. No other optional services will be included in the award of this contract at this time. Additionally, services submitted which were not requested as a part of this solicitation will not be accepted and are hereby rejected.

*"\$3.50 per vehicle per month with a 5% Independent Vendor fee/Roadside Assistance is \$35 per occurrence**/ARI is also proposing National Account Usage rebates as follows: 2% rebate for up to 75% NA rebate, 3% rebate for 76%-85% usage, and 4% rebate over 85% usage."*

***Roadside assistance is in the current contract and is only billed if used.*

The following are the names of the persons who are the authors of the following papers:

1. *...*

2. *...*

3. *...*

4. *...*

5. *...*

6. *...*

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40. *...*



State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

Purchase Order

PURCHASE ORDER NO.

FLT13997

PAGE

BLANKET RELEASE

00

CHANGE ORDER

CORRECT PURCHASE ORDER NUMBER
MUST APPEAR ON ALL PACKAGES,
INVOICES, AND SHIPPING PAPERS.
QUESTIONS CONCERNING THIS PUR-
CHASE ORDER SHOULD BE DIRECTED
TO THE BUYER AS NOTED BELOW.

INVOICE TO

DEPARTMENT OF ADMINISTRATION
FLEET MANAGEMENT OFFICE
2101 WASHINGTON STREET, EAST
BUILDING 17
CHARLESTON, WV

25305

VENDOR

*C15150224 01 513-241-2573
AUTOMOTIVE RESOURCES INTERNATL
4001 LEADENHALL RD
MOUNT LAUREL NJ 08054

SHIP TO

DEPARTMENT OF ADMINISTRATION
FLEET MANAGEMENT OFFICE
2101 WASHINGTON STREET, EAST
BUILDING 17
CHARLESTON, WV

25305

304-558-0086

DATE PRINTED		TERMS OF SALE		FEIN/SSN		FUND	
SHIP VIA		F.O.B		FREIGHT TERMS		ACCOUNT NUMBER	
BEST WAY		DESTINATION		PREPAID		MUL-MUL	
LINE	QUANTITY	UOP	VENDOR ITEM NO.		UNIT PRICE	AMOUNT	
	DELIVERY DATE	CAT.NO.	ITEM NUMBER				
RECEIPT TICKET FOR PURCHASE ORDER: FLT13997							
LINE	CATNO	ITEM NUMBER	DESCRIPTION		QTY	DATE	
0001		929-17	MAINTENANCE AND REPAIR MANAGEMENT				
SIGNATURE			DATE				
IF APPROVAL AS TO FORM IS REQUIRED BY ATTORNEY GENERAL, CHECK HERE <input type="checkbox"/>							
TOTAL							

APPROVED AS TO FORM BY
ASSISTANT ATTORNEY GENERAL

BY _____
PURCHASING DIVISION AUTHORIZED SIGNATURE